

(Rollcall Vote No. 44 Leg.)

YEAS—60

Alexander	Dole	Murkowski
Allard	Domenici	Nelson (FL)
Allen	Enzi	Nelson (NE)
Bennett	Frist	Pryor
Bond	Graham	Roberts
Brownback	Grassley	Rockefeller
Bunning	Gregg	Santorum
Burns	Hagel	Sessions
Burr	Hatch	Shelby
Byrd	Hutchison	Smith
Chafee	Isakson	Snowe
Chambliss	Johnson	Specter
Clinton	Kyl	Stevens
Cochran	Landrieu	Sununu
Collins	Lieberman	Talent
Cornyn	Lincoln	Thomas
Craig	Lugar	Thune
Crapo	Martinez	Vitter
DeMint	McCain	Voinovich
DeWine	McConnell	Warner

NAYS—38

Akaka	Ensign	Lott
Baucus	Feingold	Menendez
Bayh	Feinstein	Mikulski
Biden	Harkin	Murray
Bingaman	Inhofe	Obama
Boxer	Inouye	Reed
Cantwell	Jeffords	Reid
Carper	Kennedy	Salazar
Coburn	Kerry	Sarbanes
Conrad	Kohl	Schumer
Dodd	Lautenberg	Stabenow
Dorgan	Leahy	Wyden
Durbin	Levin	

NOT VOTING—2

Coleman	Dayton
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The amendment (No. 3050) was agreed to.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF LIBERIA

The PRESIDING OFFICER. Without objection, in accordance with the previous order, the Senate will now stand in recess for the purpose of attending a joint meeting with the House of Representatives to hear the very distinguished President of Liberia, Ellen Johnson-Sirleaf.

Thereupon, the Senate, at 1:50 p.m., took a recess, and the Senate, preceded by its Secretary, Emily J. Reynolds, and its Assistant Sergeant at Arms, Lynne Halbrooks, proceeded to the Hall of the House of Representatives to hear an address delivered by Her Excellency, Ellen Johnson-Sirleaf, President of Liberia.

(For the address delivered by the President of Liberia, see today's proceedings in the House of Representatives.)

At 2:59 p.m., the Senate, reassembled and was called to order by the Presiding Officer (Mr. MARTINEZ).

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2007—Continued

AMENDMENT NO. 3056

The PRESIDING OFFICER. The next amendment is the Stabenow amendment No. 3056. There is 2 minutes of debate equally divided on the amendment.

The Senator from Michigan.

Ms. STABENOW. Mr. President, I hope my colleagues will join me in be-

ginning to fix the issue of connecting our radios, radio interoperability. Last December, the 9/11 Commission gave us failing grades in this area, as well as other areas. Back in November of 2003, the White House Office of Management and Budget said there were insufficient funds to do what needs to be done in terms of communications interoperability. They said it would take at least \$16 billion to do this right.

My amendment would provide \$5 billion to jump-start what is happening now. Our esteemed chairman of the Budget Committee has spoken about the fact that there is \$1 billion or \$2 billion available now, but that simply is not enough. That is not enough to do it as quickly as we need to do this.

Right now, homeland security grants also in this budget are being cut. We are seeing fewer police officers on the streets. We have not done what we need to do regarding radios and communications, and this simply is not good enough.

My amendment says we can do better, and it will provide a jump-start to do so.

Mr. KOHL. Mr. President, I rise to express my appreciation to the Senate for accepting the Kohl-Snowe-Stabenow-DeWine-Lieberman amendment fully funding the Manufacturing Extension Partnership, MEP, for fiscal year 2007 at \$106 million. I am a long-time supporter of the MEP program and believe manufacturing is crucial to the U.S. economy. American manufacturers are a cornerstone of the American economy and embody the best in American values. A healthy manufacturing sector is key to better jobs, rising productivity, and higher standards of living in the United States.

Small and medium-sized manufacturers face unprecedented challenges in today's global economy. If it isn't China pirating our technologies and promising a low-wage workforce, it is soaring health care and energy costs that cut into profits. Manufacturers today are seeking ways to level the playing field.

One way to do that is through the MEP program. MEP offers resources such as organized workshops and consulting projects to manufacturers; these allow the manufacturers to streamline operations, integrate new technologies, shorten production times and lower costs. In Wisconsin, three of our largest corporations—John Deere, Harley-Davidson, and Oshkosh Truck—are working with Wisconsin MEP centers to develop domestic supply chains. I am proud to say that, thanks to MEP, these companies found it more profitable to work with small and medium sized Wisconsin firms than to look overseas for cheap labor.

You would be hard pressed to find another program that has produced the results that MEP has. In fiscal year 2004, MEP clients reported 43,624 new or retained workers, sales of \$4.532 billion, cost savings of \$721 million, and plant and equipment investments of \$941 million.

The Senate, in accepting this amendment, clearly recognizes the importance of manufacturing and the role it plays in our everyday lives. Unfortunately, the same can not be said for the current administration. The President's fiscal year 2007 budget request for MEP was \$46.3 million, a 56 percent decrease from the \$106 million appropriated for fiscal year 2006. Once again, it will be up to my colleagues and I in Congress to see to it that MEP is fully funded for fiscal year 2007. In an effort to invest in the future of manufacturing, I worked with Senator SMITH and Senator DEWINE to introduce the Manufacturing Technology Competitiveness Act of 2005 which would fund manufacturing related programs including MEP and the Advanced Technology Program—for 3 years.

Manufacturing is an integral part of a web of inter-industry relationships that create a stronger economy. Manufacturing sells goods to other sectors in the economy and, in turn, buys products and services from them. Manufacturing spurs demand for everything from raw materials to intermediate components to software to financial, legal, health, accounting, transportation, and other services in the course of doing business.

The future of manufacturing in the United States will be largely determined by how well small and medium-sized manufacturers cope with the changes in today's global economy. To be successful, manufacturers need state-of-the-art technologies to craft products more efficiently, a skilled workforce to operate those technologies, and a commitment from the government to provide the resources to allow manufacturers to remain competitive.

At a time when economic recovery, supply chain reliability for consumer and defense goods, and global competitiveness are national priorities, I believe MEP continues to be a wise investment. I want to thank the chairman and ranking member of the Budget Committee for accepting this amendment and recognizing the importance of the MEP program.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Alaska.

Mr. STEVENS. Mr. President, the Stabenow amendment would pencil in \$5 billion for interoperable radio equipment into the budget resolution but provides no money for the first responders. But when the junior Senator from Michigan has been given opportunity to vote for real money for police and firefighters, she has repeatedly voted no. Not only has she voted no, she actively worked to kill funding for the first responders.

The Senate budget reconciliation bill last year included \$1 billion in hard dollars for grants to States and local governments for new interoperable radio equipment. Michigan would have received a portion of that money for its police and firefighters, but the Senator

from Michigan voted no. The conference report on the budget reconciliation measure dedicated \$1 billion for spectrum auction proceeds for interoperable equipment for first responders. Again, the Senator from Michigan voted no.

Fortunately, she lost that vote. The bill with \$1 billion was signed into law, and money is now being made available for important grants.

When the Defense appropriations conference report was considered last December, I added another \$1 billion for interoperable communications equipment. That was long after Hurricane Katrina had revealed to all of us the importance of communications equipment in a disaster. The measure included another \$1 billion for grants to high-risk cities, such as Detroit. The Senator from Michigan helped filibuster that bill, and then she supported efforts to strip money out of the measure and led the charge against those funds and was successful in deleting the money. You can't have it both ways. I oppose the Stabenow amendment.

Ms. STABENOW. Mr. President, I ask for the yeas and nays and also simply indicate it is unfortunate to hear that kind of personal inaccurate attack.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3056. The clerk will call the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "nay."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 55, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—43

Akaka	Harkin	Murray
Baucus	Inouye	Nelson (FL)
Bayh	Jeffords	Nelson (NE)
Biden	Johnson	Obama
Bingaman	Kennedy	Pryor
Boxer	Kerry	Reed
Byrd	Kohl	Reid
Cantwell	Landrieu	Rockefeller
Clinton	Lautenberg	Salazar
Conrad	Leahy	Sarbanes
Dodd	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden
Feingold	Menendez	
Feinstein	Mikulski	

NAYS—55

Alexander	Bunning	Coburn
Allard	Burns	Cochran
Allen	Burr	Collins
Bennett	Carper	Cornyn
Bond	Chafee	Craig
Brownback	Chambliss	Crapo

DeMint	Inhofe	Smith
DeWine	Isakson	Snowe
Dole	Kyl	Specter
Domenici	Lott	Stevens
Ensign	Lugar	Sununu
Enzi	Martinez	Talent
Frist	McCain	Thomas
Graham	McConnell	Thune
Grassley	Murkowski	Vitter
Gregg	Roberts	Voinovich
Hagel	Santorum	Warner
Hatch	Sessions	
Hutchison	Shelby	

NOT VOTING—2

Coleman Dayton

The amendment (No. 3056) was rejected.

Mr. GREGG. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, at this point I ask unanimous consent that after we have completed the final vote in this group, which has been ordered, which is the Santorum vote, we will then turn to an amendment by Senator CONRAD about avian flu and an amendment by Senator BURR on avian flu. Prior to those two amendments, there will be 5 minutes for Senator CONRAD and 5 minutes for Senator BURR to speak before we go to those votes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask, as we proceed forward, that we deem the yeas and nays to have been ordered on all the amendments that have been pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. And all votes be 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, might I urge our colleagues to try to help us move through this. If we don't get co-operation, we are going to be here until Saturday morning. If you lay out the number of amendments that are pending here, we are going to be here until Saturday morning. We urge colleagues, let's get these amendments done in 10 minutes. Please, colleagues who have amendments that don't have to be offered here, please withhold; otherwise, literally we are here until Saturday morning.

AMENDMENT NO. 3061

The PRESIDING OFFICER. We have 2 minutes evenly divided prior to the vote on the McConnell amendment.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask you notify me at 30 seconds, so I can turn the microphone over to Senator MCCONNELL.

The PRESIDING OFFICER. The Senate will be in order.

Mrs. HUTCHISON. Mr. President, since 9/11, Congress and the administration have done so much to secure our homeland, but the area that we still must work on is port security. We have vulnerabilities because we don't have enough coverage overseas with customs

and border agents. They need to be able to inspect the containers that will come to America. Our officers working with the host governments need to certify the contents of these containers at the point of origin.

The PRESIDING OFFICER. Thirty seconds.

Mrs. HUTCHISON. This will reduce our reliance on the foreign governments' information that we may or may not be able to verify.

Mr. MCCONNELL. Mr. President, we have had a lot of talk about the security of our ports over the last few weeks, a lot of talk about where the containers originate, what boats are to get here, and who manages the ports but very little talk about who unloads the cargo. What this amendment would also do is provide for background checks on people working in our ports who are unloading the cargo. It makes no sense to ignore the personnel and the quality of personnel in our ports in the United States.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time? The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I would like to speak for a minute in opposition.

The PRESIDING OFFICER. The Senator is recognized.

Mr. MENENDEZ. I am pleased my Republican colleagues have joined my call to strengthen security at our ports by offering this amendment to increase port security funding by \$978 million. Last week our colleagues voted down in the Budget Committee, on party lines, my amendment to increase port security funding by \$965 million. So I am glad our colleagues are about to vote for port security funding right after they voted against it last week.

We know our ports are one of the weakest links in our Nation's homeland security system, and it is crucial that this Nation act to make them more secure before a terrorist attack, not after.

I applaud the increased funding for the Coast Guard in this amendment. I would like this body to continue to work on how we allocate the money this amendment provides, so we can increase the number of containers that are actually scanned or inspected before they enter the country. I hope we will have the opportunity to do so in conference.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 8, as follows:

[Rollcall Vote No. 46 Leg.]

YEAS—90

Alexander	Durbin	McConnell
Allard	Ensign	Menendez
Allen	Enzi	Mikulski
Bayh	Feingold	Murkowski
Bennett	Feinstein	Nelson (FL)
Biden	Frist	Nelson (NE)
Bingaman	Graham	Obama
Bond	Grassley	Pryor
Boxer	Gregg	Reed
Brownback	Hagel	Roberts
Bunning	Harkin	Rockefeller
Burns	Hatch	Salazar
Burr	Hutchison	Santorum
Byrd	Inhofe	Sarbanes
Cantwell	Inouye	Schumer
Carper	Isakson	Sessions
Chafee	Jeffords	Shelby
Chambliss	Kennedy	Smith
Clinton	Kerry	Snowe
Coburn	Kohl	Specter
Cochran	Kyl	Stabenow
Collins	Landrieu	Stevens
Cornyn	Lautenberg	Sununu
Craig	Levin	Talent
Crapo	Lieberman	Thomas
DeMint	Lincoln	Thune
DeWine	Lott	Vitter
Dole	Lugar	Voinovich
Domenici	Martinez	Warner
Dorgan	McCain	Wyden

NAYS—8

Akaka	Dodd	Murray
Baucus	Johnson	Reid
Conrad	Leahy	

NOT VOTING—2

Coleman	Dayton
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The amendment (No. 3061) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, will the Chair advise us as to how much time that vote took?

The PRESIDING OFFICER. Sixteen minutes.

Mr. GREGG. We are going to be here a long time if we keep doing 10-minute votes for 16 minutes. I have spoken with Senator CONRAD. It is my sense that we should start cutting these votes off. We have a whole series of votes. The next one will take 10 minutes. We are going to start to enforce that timeframe.

Mr. CONRAD. Mr. President, perhaps I can help put this in perspective. We have 110 amendments pending, with more amendments coming in every hour. We have just been called and asked to draft six more amendments in the last hour.

I hope people understand where this is headed. If we are going to have 16-minute votes and we are going to vote on another 110 amendments, we are going to be here until noon on Saturday. That is where this is all headed.

If we don't start getting cooperation from Members here to not offer amendments which they could offer some-

where else, and if we don't get some cooperation from Members on having votes that really last 10 minutes, I assure you we are going to be here all day Friday—first of all, late tomorrow night, we are going to be here all day Friday, we are going to be here late Friday night, and we are going to be here at noon on Saturday. Colleagues can choose. It is out of our control. We don't control this. Colleagues can decide whether we are going to have some reasonable outcome here or whether we will be here until Saturday noon.

AMENDMENT NO. 3054

The PRESIDING OFFICER. There is 2 minutes equally divided prior to the vote on the Menendez amendment.

The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I ask unanimous consent to add Senators KOHL, BIDEN, SARBANES, and MIKULSKI as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MENENDEZ. Mr. President, I am pleased that the Senate just voted to concur with me that we need to spend about \$1 billion on port security. The difference between this amendment which we just passed and the amendment we are about to vote on is that this is real money that we paid for, and we direct the money in a more comprehensive way to fund security operations at our ports.

This amendment puts us on the road to 100 percent scanning of containers entering into this country by increasing the number of inspectors abroad and funding the latest technology in our own ports.

I strongly believe we need to strengthen security. This will put us on the road to increasing scanning, inspections, funding for port security grants, and creating real security here at home.

I urge adoption of the amendment.

Mr. KOHL. Mr. President, I rise in support of the Menendez amendment that increases funding for port security by \$965 million. The amendment is fully offset by closing \$965 million in corporate tax loopholes and would reduce the debt by an additional \$965 million.

What the recent Dubai Ports World deal certainly has revealed is the importance of port security and our apparent vulnerability. Each year, 10 million cargo containers enter our ports, and we inspect roughly 6 percent of them. That means only about 600,000 are seen by our security officials, while the other 9.4 million are being handled exclusively by the shippers, port operators, and others. When we consider the fact that just one of the six ports whose operations would have taken over by DP World is equipped with a working radiation-detection system, we can begin to appreciate how crucial it is to address this issue.

In 2003, Admiral Collins of the U.S. Coast Guard testified that it will cost \$7 billion over the next 10 years to fully secure our ports. We have not even

come close to funding port security at that pace. Though \$7 billion may seem a daunting figure, suffering a catastrophic terrorist attack at one of our major ports would cost exponentially more. A recent war game conducted by Federal security agencies imagined all 360 major ports shut down for 9 days—which would not be an inconceivable step to take following a major terrorist attack upon a U.S. port. Such a shutdown would cost our country \$58 billion and that doesn't even consider the direct physical costs of the attack itself. Compared to this grim scenario, investing \$7 billion now to secure our ports is wise.

The Menendez amendment moves us closer towards achieving the goal of 100-percent scanning of all cargo containers which pass through our ports. With \$600 million dedicated to the port security grant program administered by the Department of Homeland Security, \$100 million for new inspectors and security personnel, \$100 million for research and development to create better scanning technology, \$105 million for better radiation detection equipment, \$10 million for deploying better scanning technology abroad, and \$50 million to assist developing countries with cargo scanning, we will significantly improve port security.

We can prevent a terrorist attack on our ports, but it will take Federal resources and determination to do so. We all hope we are not left in the wake of a terrorist attack that could have been prevented had we only made the necessary investments to better fund port security. Therefore, I urge my colleagues to support the Menendez amendment which will reinvigorate and finance our commitment to secure our ports.

Mr. INOUE. Mr. President, I rise today in support of Senators MENENDEZ and LAUTENBERG's amendment to increase funding for port security. As the cochairman of the Commerce Committee and a Senator representing an island State, I place a particularly high priority on port security, and I know first hand that it is not receiving the resources that are necessary. Budgets are a reflection of priorities, and our budget must place far greater emphasis on this critical component of our national and economic security.

I feel compelled to remind this body that, since 2002, it has been given a litany of opportunities to bolster port security resources, and it has routinely rejected them.

As we consider this year's budget, I would like to recall the discussion we had around this time in 2003. During the budget debate, this body unanimously supported an amendment to provide \$2 billion to port security. Yet 3 weeks later, when the Senate considered the supplemental appropriations legislation to address funding for the war in Iraq and homeland security, the Senate rejected the amendment that would have provided immediately the actual money for port security funding.

It was a lesson in cynicism that I have not forgotten.

Given the recent attention to the Nation's lingering, significant port security inadequacies, it is my hope that the Senate will have the wisdom to choose a different course this time around.

If there is one silver lining to the Dubai Ports World debacle, it is that the country is now paying close attention to port and cargo security. The heartland is learning what the coasts have known for many years: our national economy and physical security depend on strong port security. They are now familiar with the statistic that 95 percent of the Nation's cargo comes through the ports, and that very little of that cargo is inspected. The American public now knows that more needs to be done.

Maritime commerce is essential to the American economy. Many of our Nation's manufacturers and retailers depend on on-time delivery, and any disruption to the flow of commerce could have disastrous consequences for American businesses and the economy as a whole.

Despite this fact, the administration still fails to make port security a top priority. It has consistently submitted inadequate funding requests and has routinely missed critical security deadlines that were required by law. In fact, the Department of Homeland Security, DHS, only recently submitted its National Maritime Transportation Security Plan. The report was due in April 2005.

Given the administration's poor record on port security and its poor judgment on the Dubai Ports World deal, I am left wondering what it will take for this administration to take port security seriously.

It was Congress that put a halt to the Dubai Ports World takeover, and it will have to be Congress that provides the port security funding that the administration's budget lacks. The amendment put forward by Senators MENENDEZ and LAUTENBERG calls for a funding level that is a far better reflection of port security's importance to the country. While it will not solve all of the current inadequacies, it will bring us far closer to what will be required.

Several other Members will be introducing amendments that enhance resources for transportation security, and while I would prefer specific offsets, I applaud their focus on port security and strongly support them. Our committee has held numerous oversight hearings in the area of transportation security, and we recognize that much more needs to be done. The latest Department of Homeland Security inspector general's report indicated that the DHS has made considerable improvements in the administration of the port security grant program. It is beginning to deliver the funding the way Congress intended, consistent with the Maritime Transportation Security Act, MTSA. Now, we must dedicate

more substantial resources to this effort.

While increased funding is a critical step, we must not lose sight of the long-term security improvements that will be necessary for port security. In November, the Senate Commerce Committee unanimously approved the Transportation Security Improvement Act, S. 1052, which addresses a litany of security shortcomings across all modes of transportation. Specifically, title V of our bill tackles port and cargo security inadequacies. It improves the examination of cargo before it reaches our shores, ensures the resumption of commerce in the event of an attack, and takes greater advantage of coordinated, interagency port security efforts.

Of course, I would like to see passage of our full bill, but at a minimum, I urge the Senate to take up title V of our bill and pass it as soon as possible. Our approach has broad bipartisan support, and it will improve security while maintaining the jurisdiction and transportation expertise of the Commerce Committee. The time is right to pass these needed security improvements, and I am hopeful that the Senate will take up our measure as soon as possible.

In the meantime, I urge my colleagues to support this important and timely amendment.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I hope our colleagues will not vote for the amendment.

The Senate just voted overwhelmingly to put almost \$1 billion into port security. That is the right thing to do, but the right way to pay for it is out of the 920 account. To make this a priority, let us do it right. The Menendez amendment would increase taxes to pay for port security. We do not need to do that. What we should do is the right thing—provide more inspectors and make sure our ports are secure, and do it the right way with real money that is already there.

The PRESIDING OFFICER (Mr. COBURN). The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "nay."

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Minnesota (Mr. DAYTON) are necessarily absent.

I further announce that if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 53, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—43

Akaka	Harkin	Murray
Baucus	Inouye	Nelson (FL)
Bayh	Jeffords	Nelson (NE)
Bingaman	Johnson	Obama
Boxer	Kennedy	Pryor
Byrd	Kerry	Reed
Cantwell	Kohl	Reid
Carper	Landrieu	Rockefeller
Clinton	Lautenberg	Salazar
Conrad	Leahy	Sarbanes
Dodd	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden
Feingold	Menendez	
Feinstein	Mikulski	

NAYS—53

Alexander	DeWine	McCain
Allard	Dole	McConnell
Allen	Domenici	Murkowski
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Snowe
Chafee	Hagel	Stevens
Chambliss	Hatch	Sununu
Coburn	Hutchison	Talent
Cochran	Inhofe	Thomas
Collins	Isakson	Thune
Cornyn	Kyl	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	

NOT VOTING—4

Biden	Dayton
Coleman	Specter

The amendment (No. 3054) was rejected.

Mr. GREGG. I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3018

Mr. GREGG. I ask unanimous consent the yeas and nays be vitiated on the Chambliss amendment numbered 3018.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I ask unanimous consent the amendment be agreed to.

Mr. CONRAD. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 3018.

The amendment (No. 3018) was agreed to.

AMENDMENT NO. 3073

Mr. GREGG. The next amendment is the amendment of Senator GRASSLEY.

The PRESIDING OFFICER. There is 2 minutes equally divided.

Mr. CONRAD. Senator GRASSLEY's amendment is the next order in the queue.

Mr. GREGG. I will speak to Senator GRASSLEY's amendment.

What Senator GRASSLEY is suggesting is we give the Secretary of Health and Human Services the authority to extend the signup time for senior citizens, and if we extend such signup times, there will be no penalty against the senior citizens.

It is an excellent amendment. I hope it will be supported.

The PRESIDING OFFICER. Who yields time to speak in opposition?

Mr. CONRAD. I yield time to the Senator from Florida.

Mr. NELSON of Florida. Mr. President, the question is, do you want to help the program or do you want to help the people? Members have all heard from their senior citizens. They are confused, they are bewildered, and in some cases frightened about this deadline coming up. They want some additional time. They are confused with this multiplicity of plans.

Senator GRASSLEY's amendment would only give discretion to the Secretary of HHS. They have already testified they do not want to extend the program.

Members are going to have an opportunity to vote on the amendment that follows that will actually extend the deadline for the rest of the year, 2006.

Mr. GRASSLEY. Mr. President, is there any time left on my side?

The PRESIDING OFFICER. Twenty-three seconds.

The Senator from Iowa is recognized for 23 seconds.

Mr. GRASSLEY. Mr. President, what the Secretary said was that this was a decision by the Congress. We are involved in that decision, a decision today to give the Secretary authority to do it if it needs to be done, and do it not until it needs to be done, rather than sending a signal that you can procrastinate again for another 6 months.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment. The yeas and nays have been previously ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 76, nays 22, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—76

Alexander	Cornyn	Inouye
Allard	Craig	Isakson
Allen	Crapo	Johnson
Bayh	DeMint	Kerry
Bennett	Dodd	Kohl
Biden	Dole	Kyl
Bingaman	Domenici	Levin
Bond	Dorgan	Lieberman
Boxer	Durbin	Lott
Brownback	Enzi	Lugar
Bunning	Feinstein	Martinez
Burns	Frist	McConnell
Burr	Graham	Menendez
Byrd	Grassley	Mikulski
Cantwell	Gregg	Murkowski
Carper	Hagel	Murray
Chambliss	Hatch	Nelson (NE)
Coburn	Hutchison	Pryor
Cochran	Inhofe	Roberts

Rockefeller
Salazar
Santorum
Sarbanes
Schumer
Sessions
Shelby

Smith
Specter
Stabenow
Stevens
Sununu
Talent
Thomas

Thune
Vitter
Voinovich
Warner
Wyden

NAYS—22

Akaka
Baucus
Chafee
Clinton
Collins
Conrad
DeWine
Ensign

Feingold
Harkin
Jeffords
Kennedy
Landrieu
Lautenberg
Leahy
Lincoln

McCain
Nelson (FL)
Obama
Reed
Reid
Snowe

NOT VOTING—2

Coleman

Dayton

The amendment (No. 3073) was agreed to.

Mr. GREGG. I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3009

The PRESIDING OFFICER. The Nelson amendment No. 3009 is now under consideration with 2 minutes equally divided.

The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, this amendment is what Senators have been hearing from their senior citizens. They want to extend the deadline. My amendment would put it in law that the deadline is extended. Why be for a program instead of being for the people? They are confused. They need more time. They are bewildered and, in some cases, knowing that that 1 percent-a-month penalty is hanging over their heads, they are frightened. They are also frightened if they choose the wrong program, then find out they can't get the prescription drugs they need for their quality of life. I urge Members to vote for the amendment.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 1 minute.

Mr. GRASSLEY. The Nelson amendment is the wrong idea at the wrong time. The amendment doesn't even provide the resources for enrolling people afterwards. We did in the amendment just adopted. How are we going to get people to enroll if the administration doesn't have the resources to do it? It is too early to make a decision, when we don't have final enrollment numbers yet. Right now enrollment is going very well. A quarter of a million people sign up every week. Many who are calling for delay in the enrollment deadline didn't support the legislation 2 or 3 years ago. They have admitted that. They have been encouraging citizens not to enroll. Extending the deadline until the end of the year is a cynical attempt to tell seniors not to enroll this year. The other side says May 15 is an arbitrary deadline. Americans live with deadlines every day.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3009.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The result was announced—yeas 49, nays 49, as follows:

[Rollcall Vote No. 49 Leg.]

YEAS—49

Akaka	Feingold	Murray
Baucus	Feinstein	Nelson (FL)
Bayh	Harkin	Nelson (NE)
Biden	Inouye	Obama
Bingaman	Jeffords	Pryor
Boxer	Johnson	Reed
Byrd	Kennedy	Reid
Cantwell	Kerry	Rockefeller
Carper	Kohl	Salazar
Chafee	Landrieu	Sarbanes
Clinton	Lautenberg	Schumer
Collins	Leahy	Snowe
Conrad	Levin	Specter
DeWine	Lieberman	Stabenow
Dodd	Lincoln	Wyden
Dorgan	Menendez	
Durbin	Mikulski	

NAYS—49

Alexander	Domenici	McConnell
Allard	Ensign	Murkowski
Allen	Enzi	Roberts
Bennett	Frist	Santorum
Bond	Graham	Sessions
Brownback	Grassley	Shelby
Bunning	Gregg	Smith
Burns	Hagel	Stevens
Burr	Hatch	Sununu
Chambliss	Hutchison	Talent
Coburn	Inhofe	Thomas
Cochran	Isakson	Thune
Cornyn	Kyl	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	
Dole	McCain	

NOT VOTING—2

Coleman

Dayton

The amendment (No. 3009) was rejected.

Mr. FRIST. Mr. President, I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I simply note that the way this is working, these are 10-minute votes. We have been reasonably generous by letting them go to 12 minutes, but we are not letting them go past 12 minutes. I believe I speak for Senator CONRAD. We are going to insist on getting these votes done. We are on to the next amendment.

AMENDMENT NO. 3004

The PRESIDING OFFICER. The Senate will now consider the Snowe-Wyden amendment.

Ms. SNOWE. Mr. President, the amendment which Senator WYDEN and I are offering will address the high cost

of our Medicare prescription drug benefit. It does this not by price setting or mandating a drug formulary, but by providing our drug plans with the resource of the HHS Secretary. Since Medicare is paying 75 percent of a beneficiary's drug costs from \$250 up to \$2,250 in spending, and the cost of this benefit over the next ten years is estimated to exceed \$700 billion, it is simply common sense that the Secretary should be able to assist when the plans need help.

Our amendment states two circumstances in which the Secretary must participate in drug price negotiation. If the Secretary needs to provide a drug plan due to lack of competition, he must negotiate competitive prices for his own "fallback" plan. And just as reasonable, if a drug plan requests his assistance in negotiations, then he should be responsive to that need.

The Congressional Budget Office has told us that when a drug lacks competition, a manufacturer may not negotiate in good faith. So when a plan calls for help in this circumstance, the Secretary shouldn't be forced to be unresponsive. As CBO has described, the savings could be substantial. For example, if 29 million beneficiaries enroll in Part D, and 1 in 4 used a single source "blockbuster" drug such as a lipid-lowering drug costing \$250 per month, the annual cost for that single product would exceed \$21 billion. If the Secretary could help plans raise the discount on such a drug by just 10 percent, the annual savings would amount to \$2.18 billion. This illustrates how in this special situation, the role of the Secretary could be vital.

Let me be clear—this amendment does not allow price-setting. The language is clear: "the Secretary may not require a particular formulary or institute a price structure for the reimbursement of Part D drugs."

The AMA, the AARP, and many other are advocating for this authority, because they want to protect our seniors access to drugs as much as we do. I urge my colleagues to join us in assuring we keep our promise to our seniors.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, one of the things on this issue that is so misleading is the impression that this legislation does not allow Medicare to negotiate. The opposite is true.

This legislation requires negotiation. That is what the plans are doing all the time to drive down the price of drugs—what it does to drive down the price of the premium way below what we thought it would be. Again, everything is backward when they talk about this. In the real world, there are choices. Wherever you want to go for any consumer products, those stores negotiate prices to get good prices. It is just a way to get the job done. Statistics that have come in on this show that competition is driving down the price of

drugs—the 25 leading drugs—by 35 percent on average this ought to show that this process is working.

The PRESIDING OFFICER. All time has expired. The yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from Maine. The clerk will call the roll.

The assistant morning business clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "no."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 50 Leg.]

YEAS—54

Akaka	Graham	Murkowski
Bayh	Harkin	Murray
Biden	Hutchison	Nelson (FL)
Bingaman	Inouye	Obama
Boxer	Jeffords	Pryor
Byrd	Johnson	Reed
Cantwell	Kennedy	Reid
Carper	Kerry	Rockefeller
Chafee	Kohl	Salazar
Clinton	Landrieu	Sarbanes
Collins	Lautenberg	Schumer
Conrad	Leahy	Shelby
DeWine	Levin	Smith
Dodd	Lieberman	Snowe
Dorgan	Lincoln	Specter
Durbin	McCain	Stabenow
Feingold	Menendez	Stevens
Feinstein	Mikulski	Wyden

NAYS—44

Alexander	Crapo	Lugar
Allard	DeMint	Martinez
Allen	Dole	McConnell
Baucus	Domenici	Nelson (NE)
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Grassley	Sununu
Burns	Gregg	Talent
Burr	Hagel	Thomas
Chambliss	Hatch	Thune
Coburn	Inhofe	Vitter
Cochran	Isakson	Voinovich
Cornyn	Kyl	Warner
Craig	Lott	

NOT VOTING—2

Coleman	Dayton
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The amendment (No. 3004) was agreed to.

Mr. OBAMA. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3086

The PRESIDING OFFICER. Under the previous order, the Byrd amendment will be considered next, with 2 minutes equally divided for debate.

The Senator from West Virginia is recognized.

Mr. BYRD. I thank the Chair. Mr. President, I ask unanimous consent that Senator SCHUMER be added as a cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, once again the White House has proposed a level of funding for Amtrak that will result in bankruptcy for the company, endangering rail service in every region of the Nation.

Two amendments have been offered to increase Amtrak's funding to a level of \$1.45 billion. My amendment, which is fully paid for, would provide the additional funds necessary for the Appropriations Committee to approve \$1.45 billion for Amtrak.

The amendment offered by the distinguished Senator from Pennsylvania pretends to pay for the increase by cutting something called function 920 allowances. It assumes deeper cuts for education, for low-income home energy assistance, for border and port security, and for our troops.

I urge Members to show support—real support—for Amtrak by voting for my amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Who seeks time? The Senator from New Hampshire.

Mr. GREGG. Mr. President, I must rise in opposition to this amendment as it would exceed the caps and would end up raising taxes. We are going to have an amendment that follows this amendment which makes a commitment to Amtrak, which does it under the caps, therefore, sets the priorities correctly, and that is the proper way to do this.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3086. Under the previous order, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "no."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) and the Senator from Maryland (Ms. MIKULSKI) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "yea."

The result was announced—yeas 44, nays 53, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—44

Akaka	Dorgan	Leahy
Baucus	Durbin	Levin
Bayh	Feingold	Lieberman
Biden	Feinstein	Lincoln
Bingaman	Harkin	Menendez
Boxer	Inouye	Murray
Byrd	Jeffords	Nelson (FL)
Cantwell	Johnson	Nelson (NE)
Carper	Kennedy	Obama
Chafee	Kerry	Pryor
Clinton	Kohl	Reed
Conrad	Landrieu	Reid
Dodd	Lautenberg	

Rockefeller
Salazar

Sarbanes
Schumer

Stabenow
Wyden

NAYS—53

Alexander
Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Burr
Chambliss
Coburn
Cochran
Collins
Cornyn
Craig
Crapo
DeMint
DeWine

Dole
Domenici
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Kyl
Lott
Thune
Vitter
Martinez
McCain

McConnell
Murkowski
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NOT VOTING—3

Coleman

Dayton

Mikulski

The amendment (No. 3086) was rejected.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3015

The PRESIDING OFFICER. Under the previous order, the Santorum amendment will now be considered with 2 minutes equally divided for debate on the amendment. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, this amendment does what the Byrd amendment does, except it doesn't raises taxes. It offsets the money from the 920 account. I would encourage Members to let their voices be heard in support of Amtrak funding to make sure that the Appropriations Committee understands that this is a continuing priority for the United States, and I ask for a "yea" vote.

The PRESIDING OFFICER. Who rises in opposition?

Mr. LAUTENBERG. Mr. President, we are talking about a proposal that has no funding for it. You reach into the 920 barrel and there is nothing there, you can't come up with any money. But in the process, the Senator from Pennsylvania did acknowledge that the President's budget is way off line because now we are talking about \$1.5 billion; whereas, otherwise, it is \$500 million less. So while this bill is imperfect we do want to see Amtrak supported, and I hope that we will be able to resolve it in the appropriations process to get it to where it needs to be. But this amendment is not going to do it. It is half a loaf and, at this point, we have little choice.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to amendment No. 3015. Under the previous order, the yeas and nays have been ordered.

The clerk will call the roll.

The assistant journal clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "yea."

Mr. DURBIN. I announce that the Senator from Minnesota (Mr. DAYTON) is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. DAYTON) would vote "nay."

The result was announced—yeas 39, nays 59, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—39

Allen
Baucus
Bayh
Bond
Burns
Burr
Byrd
Carper
Chafee
Cochran
Collins
DeWine
Dole

Domenici
Dorgan
Feingold
Frist
Hagel
Hatch
Hutchison
Jeffords
Johnson
Kohl
Landrieu
Lieberman
Lott

Lugar
Mikulski
Murkowski
Nelson (NE)
Rockefeller
Santorum
Sarbanes
Smith
Snowe
Specter
Stevens
Talent
Warner

NAYS—59

Akaka
Alexander
Allard
Bennett
Biden
Bingaman
Boxer
Brownback
Bunning
Cantwell
Chambliss
Clinton
Coburn
Conrad
Cornyn
Craig
Crapo
DeMint
Dodd
Durbin

Ensign
Enzi
Feinstein
Graham
Grassley
Gregg
Harkin
Inhofe
Inouye
Isakson
Kennedy
Kerry
Kyl
Lautenberg
Leahy
Levin
Lincoln
Martinez
McCain
McConnell

Menendez
Murray
Nelson (FL)
Obama
Pryor
Reed
Reid
Roberts
Salazar
Schumer
Sessions
Shelby
Stabenow
Sununu
Thomas
Thune
Vitter
Voinovich
Wyden

NOT VOTING—2

Coleman

Dayton

The amendment (No. 3015) was rejected.

Mr. FRIST. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FRIST. Mr. President, for the information of our colleagues, that was the last rollcall vote for today. We will begin voting tomorrow morning, most probably on the two avian flu amendments which we were discussing during the vote, at approximately 10:30.

The managers are here, and we will continue to discuss it in terms of the timing and the exact schedule for tomorrow.

There are no more rollcall votes tonight, and we will begin voting around 10:30 tomorrow.

The more formal vote-arama, which unfortunately has become institutionalized, would be tomorrow afternoon. We will have more announcements about that.

Mr. CONRAD. Mr. President, I hope colleagues understand that for this budget cycle we have lost time to a number of extraneous events which could not be helped. But it means we have less time than we have had in previous years.

I hope my colleagues understand that we have put the debt limit discussion in the middle of this.

We have had a number of other events, such as the joint session.

As a result, we have less time for amendments.

I beg the indulgence of colleagues in understanding that now the only way we can finish is if we have very tight time agreements tomorrow, and if we exercise discipline among ourselves in terms of the number of amendments that we offer. That is the only conceivable way we can finish by tomorrow night.

I urge colleagues to think very carefully about amendments which they might want to offer.

Mr. SARBANES. Mr. President, will the Senator yield?

Mr. CONRAD. Yes, I would be happy to yield.

Mr. SARBANES. Mr. President, would the Senator agree with me that it is very fitting that the debt limit discussion should be inserted right in the middle of discussion of the budget resolution since this budget resolution will add very substantially to the deficit and drive the debt up even further, requiring this vote that is going to come to raise the debt ceiling? What is the amount by which the debt ceiling will be raised?

Mr. CONRAD. The debt limit request will be to raise the debt by nearly \$800 billion—\$781 billion.

Mr. SARBANES. It underscores the deeper hole that these budgets are driving us to over the last 5 years, does it not?

Mr. CONRAD. The Senator makes a very good point. It is an indication that we keep adding debt on top of debt. Of course, this budget will add \$3 trillion to the debt—more than \$3 trillion over the next 5 years.

I think it is further confirmation that we are off track in terms of the fiscal policy of this country, and not a little off track—way off track.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors to amendment No. 3018: Senators GRASSLEY, DEWINE, BURNS, COBURN, and VITTER.

The PRESIDING OFFICER. Without objection, it is so ordered.

The minority leader is recognized.

AMENDMENT NO. 3115

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for himself and Mrs. CLINTON, proposes an amendment numbered 3115.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase funding in FY 2007 by \$347 million to restore funding or provide increased funding over FY 2006 for programs and policies that support the delivery of contraceptive services and medically accurate information in order to reduce the number of unintended pregnancies, including Title X of the Public Health Service Act, and to restore funding or provide increased funding over FY 2006 for programs that help women have healthy pregnancies and healthy children, including the Child Care Development Block Grant, Maternal and Child Health Block Grant, Healthy Start, and the Special Supplemental Nutrition Program for Women Infants and Children paid for by closing corporate tax loopholes)

On page 3, line 13, increase the amount by \$225,000,000.

On page 3, line 15, increase the amount by \$84,000,000.

On page 3, line 17, increase the amount by \$23,000,000.

On page 3, line 19, increase the amount by \$10,000,000.

On page 3, line 21, increase the amount by \$2,000,000.

On page 4, line 1, increase the amount by \$225,000,000.

On page 4, line 2, increase the amount by \$84,000,000.

On page 4, line 3, increase the amount by \$23,000,000.

On page 4, line 4, increase the amount by \$10,000,000.

On page 4, line 6, increase the amount by \$2,000,000.

On page 4, line 13, increase the amount by \$347,000,000.

On page 5, line 4, increase the amount by \$225,000,000.

On page 5, line 6, increase the amount by \$84,000,000.

On page 5, line 8, increase the amount by \$23,000,000.

On page 5, line 10, increase the amount by \$10,000,000.

On page 5, line 12, increase the amount by \$2,000,000.

On page 19, line 24, increase the amount by \$124,000,000.

On page 19, line 25, increase the amount by \$27,000,000.

On page 20, line 4, increase the amount by \$61,000,000.

On page 20, line 8, increase the amount by \$21,000,000.

On page 20, line 12, increase the amount by \$10,000,000.

On page 20, line 16, increase the amount by \$2,000,000.

On page 21, line 24, increase the amount by \$223,000,000.

On page 21, line 25, increase the amount by \$198,000,000.

On page 22, line 4, increase the amount by \$23,000,000.

On page 22, line 8, increase the amount by \$2,000,000.

On page 53, line 1, increase the amount by \$347,000,000.

On page 53, line 2, increase the amount by \$225,000,000.

Mr. REID. Mr. President, this amendment was offered on behalf of the Senator from Nevada and the Senator from New York, Senator CLINTON.

One of the most heated debates of recent years has been on the issue of abortion. People on both sides of the issue feel very strongly. They have argued, they have demonstrated, and they have protested with emotion and passion.

The approval last week of a South Dakota law banning virtually all abor-

tions has only intensified the already strong feelings on both sides of this issue.

The issue is not going to go away very soon. And I doubt that one side will be able to suddenly convince the other to drop its deeply held beliefs.

But there is a need—and an opportunity—for us to find common ground.

Today, I am joining with Senator CLINTON to propose an amendment that offers not only common ground but common sense.

Whether you are pro-life or pro-choice, Democrat or Republican, our amendment advances two key goals which we should all share:

No. 1, reducing the number of unintended pregnancies and the resulting abortions.

No. 2, helping women have healthy pregnancies and healthy children.

Our amendment will make sure that there is money available in the budget to enact policy to support these important goals.

I repeat—reducing the number of unintended pregnancies and resulting abortions and helping women have healthy pregnancies and healthy children.

Specifically, our amendment would allow us to increase funding for the National Family Planning Program, title X. It would pass the Equity in Prescription Insurance and Contraceptive Coverage Act so that we may end insurance discrimination against women.

I might add that the distinguished Senator from Maine, Ms. SNOWE, has worked on this for many years.

Our amendment would improve awareness and understanding of emergency contraception, and our amendment would improve teen pregnancy prevention programs.

This amendment would also restore cuts and provide funding for crucial programs that support pregnant women and their children.

The United States has among the highest rates of unintended pregnancies of all industrialized nations. Half of all pregnancies in the United States are unintended.

And about half of those pregnancies end in abortions.

It doesn't have to be this way. Most of these unintended pregnancies—and the resulting abortions—can be prevented.

One of the most important steps we can take to prevent unintended pregnancies is ensuring that American women have access to affordable, effective contraception.

Our amendment helps make family planning service more accessible to low-income women. It improves awareness and understanding of emergency contraception, a poorly understood yet highly effective form of contraception. It promotes teen pregnancy prevention programs, and it would end insurance discrimination against women.

These are just some of the simple but necessary steps we can and should take to prevent unintended pregnancies and reduce abortions.

It is difficult for me to understand why many of the same people who support an outright ban on abortion also oppose making contraception more accessible—particularly for low-income women who are more likely to have unplanned pregnancies. For example, a recent analysis by the non-partisan Guttmacher Institute revealed that South Dakota is one of the most difficult states for low income women to obtain contraceptives.

Reducing the number of unintended pregnancies—and the resulting abortions—should be a goal we can all share.

In addition to supporting programs that will reduce the number of unintended pregnancies, our amendment will restore cuts and provide much needed funds for programs that provide critical support for pregnant women and their children.

Our amendment says that while we should do everything we can do to prevent unintended pregnancies in the first place, we should also fund programs that support women who choose to carry their pregnancies to term and raise healthy children.

This includes funding for programs that: provide health care for pregnant women and their children, reduce infant mortality, provide child care assistance for low-income families, and provide nutritional assistance for pregnant women and children.

Our amendment gives Americans on both sides of the abortion debate the opportunity to join in the common goals of preventing unintended pregnancies, reducing abortions and supporting pregnant women and their children.

I hope my colleagues will agree to this amendment. It is important. It is important for America, and it is important for the women in America.

I want to make sure that the Senator from New York has ample time. How much time do we have remaining?

The PRESIDING OFFICER. Five minutes.

Mr. REID. Mr. President, I ask unanimous consent that my statement be on leader time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CLINTON. Mr. President, I thank the Democratic leader, the Senator from Nevada, for his leadership on this issue. We have come together to present this Prevention First amendment because we believe deeply that we can do better than we are doing in our country when it comes to preventing unintended pregnancy and helping to support mothers and children.

The United States has one of the highest rates of unintended pregnancies in the industrialized world. Half of all pregnancies in our country are unintended. Nearly half of those end in abortion. In order to decrease the number of unintended pregnancies, and to decrease the number of abortions, we must make contraception

more accessible and more affordable. The Prevention First amendment ensures that we dedicate adequate funding for these programs, while at the same time the amendment provides for dedicating funding to mothers and children so children will be as healthy as possible.

This amendment sends a clear message: Women who need access to contraception to prevent unintended pregnancies will have that help. At the same time, women who are pregnant and want to have a healthy child will also have the support they need. Our amendment provides \$100 million to programs that reduce unintended pregnancy and \$247 million to programs that support and protect women and babies.

The \$100 million prevention program does four basic things. First, it increases the funds for title X, the Nation's only program solely dedicated to family planning. Title X provides high quality preventive health care and contraception to low-income individuals who may otherwise lack access to supplement care. Every year, title X services prevent approximately 1 million unintended pregnancies. But despite its proven success, this administration has continuously cut its funding.

Second, this amendment ends the current practice where some insurance companies refuse to provide coverage for contraception even though they cover other prescription drugs. Lack of coverage for contraception results in women of reproductive age paying 68 percent more in out-of-pocket costs for health care services than men of the same age. Our amendment remedies this disparity by requiring private health care plans that cover prescription drugs to also cover FDA-approved prescription contraceptives and related medical services. In our own State of New York, contraceptive equity is already the law and it should provide a real role model for the Nation. If insurance companies can cover drugs such as Viagra, they can certainly cover prescription contraception.

Third, this amendment improves public awareness of emergency contraception. Emergency contraception, also known as Plan B, is one of the most misunderstood drugs around. Some have tried to deliberately mislead its purpose. Emergency contraception prevents pregnancy. It does not interrupt or end a pregnancy. The most recent research estimates that emergency contraception could have prevented 51,000 abortions per year. Further, a study from the Journal of the American Medical Association confirms that easier access to emergency contraception does not increase sexual risk taking or greater transmission of sexually transmitted diseases.

Fourth, our amendment provides funding for programs dedicated to decreasing the teen pregnancy rate. To date, 34 percent of young women become pregnant at least once before they reach the age of 20. That results

in 820,000 teen pregnancies a year. Eight in 10, or 80 percent, of those pregnancies are unintended.

This amendment funds proven programs that will help reduce the rate of teen pregnancy by improving decision-making, improving access to education and information.

In addition to strengthening pregnancy prevention programs, our amendment also increases support for low-income mothers trying to raise healthy children. Our message in this amendment to the women of this country is clear: We will support you in your effort to prevent unintended pregnancy and we will support you in your decision to have a child.

Our amendment provides funding for programs such as the childcare and development block grant that help families afford safe quality day care; programs such as the maternal and child health block grant that ensure women have healthy pregnancies. Healthy Start and WIC Programs focus on providing nutrition for pregnant women and their infants.

I hope we could unite behind a common goal of preventing unintended pregnancies, reducing abortions, and supporting women and children's health. We hope our colleagues and the White House will work with us to put prevention first. A vote in support of this amendment is a vote to support healthy families.

I urge our colleagues to pass the Clinton-Reid amendment.

I yield the floor.

Mr. GRASSLEY. Mr. President, in a debate earlier today, the senior Senator from North Dakota responded to my challenge to point out a new corporate loophole closer that is not included in the tax relief reconciliation conference.

The ranking Democratic member of the Budget Committee discussed a proposal developed by the Finance Committee Democratic staff that would repeal "deferral" for controlled foreign corporations doing business in tax haven countries.

I share the senior Senator from North Dakota's concerns about the ability of large corporations to manipulate the Tax Code to shift large amounts of profits offshore. But this provision isn't the right way to address those concerns. It is both overbroad and inadequate.

It is overbroad because it would harm the competitiveness of U.S. multinationals by repealing deferral for holding company structures that allow them to efficiently allocate active foreign-generated resources among their foreign operations without incurring U.S. tax on entirely foreign transactions.

It is inadequate because it applies only to subsidiaries in black-listed countries. Companies that use tax havens for abusive purposes could easily avoid this rule by locating in a low-tax country that is not on the list, like Ireland, where we have read press reports

that companies are shifting huge profits. Treasury would have authority to add countries to the list, but does anyone think Ireland, with whom we have a tax treaty, would be added to a black list?

The way to deal with those cases is through effective transfer pricing policy and enforcement, not by curtailing deferral.

This proposal was included in the Democratic alternative to the Finance Committee bipartisan tax relief plan. When we considered the House tax relief reconciliation bill, the Democratic alternative was defeated.

Even if the tax haven proposal were viable in the Senate, it would yield only a fraction of the revenue needed to offset the cumulative effect of the many Democratic amendments to increase spending.

The effect of using such proposals, which aren't viable in the Senate, even if successful, would be to drive down the tax relief number.

The result of a lower net tax relief number is that we would lack the necessary tax relief in the budget to accommodate tax relief proposals supported on both sides of the aisle.

Mr. KENNEDY. Mr. President, yesterday I offered an amendment to the budget resolution with the Senator from Maine and the Senator from New Jersey that would have increased funding for several education and training programs and raised the maximum Pell grant to \$4,500. Regrettably, by a vote of 50-to-50, the amendment was not adopted. More than 100 educational organizations supported the Kennedy-Collins-Menendez amendment, and yesterday, I submitted to the RECORD several of the support letters we received from these organizations.

I ask unanimous consent to have printed in the RECORD additional letters from the American Association of Community Colleges, the National Council for Community and Education Partnerships, the National Association for College Admission Counseling, the National Association of State Directors of Career Technical Education Consortium, and the National Education Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, March 14, 2006.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: As a follow-up to our letter this morning urging support for the critical Specter-Harkin amendment to the budget resolution, we would also like to encourage your support for the Kennedy-Collins-Menendez amendment, which would add \$6.3 billion targeted to higher education programs.

Improving access to postsecondary education is essential to ensuring a well-educated workforce that is competitive for the 21st century. Unfortunately, too many lower-income families are finding higher education out of reach as costs become prohibitive.

The Kennedy-Collins-Menendez amendment will help open the doors of opportunity for students, workers, and families, including by securing resources for an increase in the maximum Pell Grant award and restoration of programs slated for elimination in the proposed budget such as Career and Technical Education, TRIO, and GEAR-UP.

The Specter-Harkin amendment will provide the foundation for restoring education funds cut in the past two years. The Kennedy-Collins-Menendez amendment builds on this foundation by targeting additional resources to expand postsecondary opportunities. We urge your support for both of these important amendments.

Sincerely,

DIANE SHUST,
*Director of Govern-
ment Relations.*

RANDALL MOODY,
*Manager of Federal
Policy and Politics.*

NATIONAL COUNCIL FOR COMMUNITY
AND EDUCATION PARTNERSHIPS,
Washington, DC, March 13, 2006.

Hon. EDWARD KENNEDY,
*U.S. Senate,
Washington, DC.*

Hon. ROBERT MENENDEZ,
*U.S. Senate,
Washington, DC.*

DEAR SENATORS KENNEDY AND MENENDEZ: On behalf of the National Council for Community and Education Partnerships (NCCEP), a national nonprofit organization dedicated to increasing higher education opportunities for low-income students, our corporate and foundation partners, and the millions of students and families we serve, I write to enthusiastically support the Menendez-Kennedy Amendment.

One principal program we work with is the Gaining Early Awareness for Undergraduate Programs (GEAR UP), which is currently providing 1.5 million low-income students in 47 states. GEAR UP helps provide students with the tools necessary to set high academic aspirations, capitalize on higher education options, and become better academically prepared for the rigors of higher education.

While we are sympathetic to the fiscal challenges that accompany the upcoming FY 2007 appropriations cycle, our long-term economic vitality as a nation will depend on our ability to produce an increasing number of college graduates to remain competitive in business, science, technology and other fields that demand a high quality education. In the global marketplace, it is clear that if left unabated, the educational disparities between high-income and low-income families will have negative consequences that will resonate throughout the American economy for decades to come.

These challenges can be overcome if we continue to focus on increasing higher education opportunities for underserved students. One study suggests that if we can raise minority student participation in higher education to equal that of non-minority students, over \$300 billion would be added in gross national product and tax revenues alone. The continued federal investment in GEAR UP can and will go a long way to ensuring the fiscal and social health of our nation, our communities, and our families.

While the recent focus on strengthening America's competitiveness is welcome in the national dialogue, our colleagues and constituents believe very strongly that funding new initiatives at the expense of proven programs such as GEAR UP, is at best counterproductive, and at worst, a broken commitment to low-income students and families nationwide.

Through the creation of GEAR UP partnerships between families, community-based organizations, businesses, schools, and institutions of higher education, we are able to have a far greater impact than working in isolation. By working together towards common goals, we are ensuring that students stay in school, raise their academic and career aspirations, succeed in challenging courses, and receive quality counseling as they prepare for higher education. Researchers at the Pennsylvania State University as well as the national program evaluation (administered by the U.S. Department of Education) have concluded that GEAR UP students are making significant academic gains in reading and math, two critical components for college success. In addition, GEAR UP students and families report that their academic ambitions and awareness of higher education options have improved significantly as a result of the program. All of this comes at a small investment of less than \$300 per student annually. Simply stated, GEAR UP is a cost-effective solution to raising the academic skills and aspirations of an entire generation of students that may otherwise be left behind.

The Menendez-Kennedy Amendment recognizes that as a nation we have made a compact with our students that should not be broken. We promised students and families that if they set high educational goals, worked hard, and persevered through a challenging course of study, that our nation would provide them with the basic resources necessary to assist them along the pathway to a college degree. With the proposed cuts to GEAR UP and other critical programs that empower students and families to succeed, we will break this promise, risk turning our back on our students, and place the dream of a college degree out of the reach of low-income and working families.

Speaking for the students and families we serve, I thank you for the extraordinary leadership you have demonstrated through the Menendez-Kennedy Amendment. If I can be of any assistance, please do not hesitate to contact me.

Sincerely,

HECTOR GARZA,
President.

NATIONAL ASSOCIATION FOR
COLLEGE ADMISSION COUNSELING,
Alexandria, VA, March 14, 2006.

SENATOR,
*U.S. Senate,
Washington, DC.*

DEAR SENATOR: On behalf of more than 20,000 high school counselors and college admission officers that are members of the National Association for College Admission Counseling and its state/regional affiliates, I write to urge your support for two amendments that will save college access programs targeted for elimination in the fiscal 2007 budget proposal as drafted by the Senate Budget Committee and proposed by the Administration.

Specifically we ask you to support the Harkin-Specter amendment, which would restore cuts to education programs by increasing funding for functions 500, 550, and 600 by \$7 billion.

In addition, we ask you to support the Kennedy-Collins-Menendez amendment, which would increase the Pell grant maximum award to \$4,500. The Pell grant has been far outpaced by inflation, diminishing the purchasing power of Pell and leaving hundreds of thousands of students without sufficient financial resources to attend college.

We believe that the United States needs an investment in education and college access now. Your support of these two amendments

is crucial to the education of our nation's youth.

Sincerely,

JOYCE SMITH,
Executive Director.

MARCH 14, 2006.

Hon. EDWARD KENNEDY,
*Member, U.S. Senate,
Washington, DC.*

DEAR SENATOR KENNEDY: On behalf of the National Association of State Directors of Career Technical Education Consortium, we support the \$6.3 billion amendment being offered by Senators Kennedy, Menendez and Collins to restore funding to student aid programs, career technical education, and job training programs, as well as to increase the Pell Grant to \$4,500.

Specifically, NASDCTEc strongly supports the restoration of funding for the Carl D. Perkins Vocational and Technical Education Act. The Perkins funds are essential in providing Americans the opportunity to gain the academic and technical skills necessary to succeed in the workplace and postsecondary education. This funding will ensure that we have a highly skilled and educated workforce, ready to meet the demands of an everchanging global economy.

A cut or elimination to the Perkins program would force schools, training programs, and community colleges to eliminate critical programs that are working well in communities throughout the country. Supporting the Kennedy/Menendez/Collins amendment will make certain that students are provided with rigorous and relevant academics as well as ensure the efforts to build a skilled and competitive American workforce are achieved.

Thank you for your time, and I hope that you will consider supporting this amendment. We believe this amendment will help open doors of opportunity for students, workers and families. If NASDCTEc can be of any assistance to you during the appropriations debate, please do not hesitate to contact Nichole Jackson, Director of Government Relations.

Sincerely,

KIMBERLY A. GREEN,
Executive Director.

AMERICAN ASSOCIATION
OF COMMUNITY COLLEGES,
Washington, DC, March 13, 2006.

Hon. ROBERT MENENDEZ,
*U.S. Senate,
Washington, DC.*

Hon. EDWARD M. KENNEDY,
*U.S. Senate,
Washington, DC.*

DEAR SENATORS MENENDEZ AND KENNEDY: On behalf of the American Association of Community Colleges (AACC) and the 1,158 community colleges it represents, I would like to express our strong support for your student aid and job training amendment to the FY 2007 Budget Resolution. This amendment increases the federal investment in programs that enable millions of Americans to pursue postsecondary education and training.

As a strong proponent of federal student aid, AACC supports a \$450 increase in the maximum Pell Grant. The centerpiece of federal student aid, the Pell Grant program is essential to providing access to higher education for low-income students. The program currently serves more than five million students annually, the vast majority of whom come from families with incomes below \$20,000 per year. Pell Grants enable approximately two million community college students to enroll each year by helping with tuition, books and equipment, and living expenses. However, the power of the Pell Grant

is declining, since the maximum award has remained frozen while student expenses have risen. A \$450 increase in the maximum Pell Grant would provide significant help to needy college students.

An increased federal investment in programs such as TRIO and GEAR UP that help prepare low-income, first-generation students for college is critical. Without additional resources thousands of middle school and high school students from disadvantaged backgrounds may never realize their postsecondary dreams. And with America's increasingly diverse population, this could have serious consequences for our economic future.

We also applaud your continued support for vocational education programs under the Carl D. Perkins Vocational and Technical Education Act. The Perkins Basic State Grant is essential for community college innovation in occupational education curricula. Funds support a wide range of activities, including integrating vocational and academic instruction; helping students meet challenging academic and vocational standards; training first responders; developing cutting edge curricula; and strengthening links between institutions and businesses.

Thank you for offering this critical amendment. We look forward to working with you as the FY 2007 budget process continues.

Sincerely,

GEORGE R. BOGGS,
President and CEO.

Mrs. LINCOLN. Mr. President, I rise today in support of amendment No. 3048 proposed by Senators SPECTER and HARKIN to restore funding for the Labor, Health and Human Services and Education appropriations bill to fiscal year 2005 levels.

This amendment would restore funding to many important programs, including one that is quite important to Arkansas as well as our Nation—the Geriatric Health Professions program. Title VII funding for geriatrics training is the only Federal program that specifically develops academic geriatricians at a time when more are needed. The fiscal year 2006 Labor-HHS bill eliminated several programs, including this program.

Geriatric health professions programs support geriatric education centers, faculty fellowships, and Academic Career Awards. The academic career award programs support the career development of geriatricians in junior faculty positions who are committed to teaching geriatrics in medical schools across the country. Geriatric Training programs train health professionals who plan to teach geriatric medicine, geriatric dentistry, or geriatric behavioral or mental health. Geriatric Education Centers train health professionals, faculty, students, and practitioners in diagnosis, treatment, disease prevention, disability, and other health problems of the aged.

In 2005, Geriatric Education Centers alone reported delivery of low-cost professional geriatric training interventions to over 50,000 health care providers who collectively reported over 8.6 million patient encounters and enhanced quality of care provided to older adults.

Since 2000, the Arkansas Geriatric Education Center has trained and educated 10,340 health professionals, most

of whom practice in rural areas, and has awarded over 54,000 hours of continuing education. The center had been funded through a grant from the Bureau of Health Professions, Health Resources and Services Administration.

Yet at the end of 2005 all funding for title VII geriatric health professions programs was eliminated from the 2006 Federal budget. The elimination of this program runs counter to recommendations from the 1,200 delegates to the 2005 White House Conference on Aging where enhancing the geriatric workforce ranked as 2 of the top 10 list of recommendations. Furthermore, it ignores the well documented shortage of geriatricians and specialized care needs of the older portion of the baby boomer population. Congress must renew its commitment to geriatric health professions training if the nation is to avert a crisis in access to geriatric care for older Americans.

The elimination of title VII funding for geriatric health professions training programs is a grave threat to the health of geriatric medicine. As the number of new physicians going into geriatrics declines and those already in the field approach retirement age, incentives rather than cuts are needed in programs that enhance the training of health professionals in geriatrics. Eliminating these funds will result in decreased access for the growing number of older patients in our country in need of the specialized care provided by geriatric healthcare professionals.

I urge my colleagues to support this important amendment which would restore funding to the geriatric health professions program, among other programs critical to the health of our Nation.

VOTE EXPLANATION

Mr. BIDEN. Mr. President, during consideration of the Menendez amendment, No. 3054, I was unavoidably detained in a meeting off the Senate floor and missed the vote. As a cosponsor of the amendment to provide funding for port security, I would have voted "aye."

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I ask consent at 1:30 p.m. on Thursday, March 16, 2006, all time under the act expire.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT

Mr. FRIST. Mr. President, I ask unanimous consent the Committee on Finance be discharged from further consideration of H.J. Res. 47, the debt limit extension; provided further that the Senate immediately proceed to its consideration with 1 hour of general debate under the control of the chairman or his designee; 2 hours of general debate under the control of the ranking member or his designee; and the only amendment in order be the following: Baucus, study on foreign investment, 20 minutes equally divided.

I further ask consent that following the use or yielding back of time on the

bill and amendment, the resolution be set aside; provided further on Thursday, prior to the first votes on the budget, the Senate proceed to a vote in relation to the Baucus amendment, and following the disposition of the amendment, the joint resolution be read the third time and the Senate proceed to the vote on passage of the joint resolution, with no intervening action or debate.

I also ask all time consumed during this bill count against the time limit under the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee is discharged from further consideration of H.J. Res. 47, which the clerk will now report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 47) increasing the statutory limit on the public debt.

Mr. GREGG. I ask unanimous consent the Senate resume consideration of the budget resolution at 9 a.m. tomorrow; provided further that the time from 9:30 to 10:30 be equally divided between the chairman and the ranking member; I further ask at 10:30 a.m. the Senate proceed to the votes in relationship to the following items: the Baucus amendment to the debt limit, the passage of the debt limit, the Conrad avian flu amendment, the Burr avian flu amendment.

I further ask consent that following these votes the Senate resume debate on the budget resolution until 1:30, with the time equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. The understanding here is that working with Senator CONRAD, we are going to line up a series of amendments which will be brought forward. We hope the Members will work with us. The time will be limited on these amendments for debate, but we will certainly try to accommodate the membership.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, it is important for colleagues to know what we are doing. We are going to go to vote-arama starting at 1:30 tomorrow afternoon. Prior to that time, we are going to have some time for additional amendments until the votes at 10:30. As the chairman has indicated, at 10:30 we will have votes on the debt limit. We will then have votes on the avian flu amendments that were put off from this evening. After those votes are concluded, we will go back to amendments until 1:30.

Now, what does that mean? That means we have very restricted time tomorrow morning. We have very restricted time after the votes tomorrow, until 1:30 for additional amendments. The only way people are going to get time is if they take very short time agreements. That is the only alternative we have.

Again, I explain to my colleagues, I apologize, but the fact is, our time for

budget discussion has been dramatically reduced this year because of extraneous events. It is just a fact. The debt limit was put into this, the joint session, these series of meetings that are important bipartisan meetings at the White House. The chairman would agree that we have had probably the most difficult time managing this budget because there is so much less time available this year.

I ask for colleagues to understand if they want time they are going to have to take very short time agreements tomorrow; otherwise, they will be in a vote-arama.

Again, I thank my colleagues for the great cooperation so many have shown throughout the day.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, first of all, I thank the Chair.

Mr. President, we are now on the subject of raising the debt limit of our country by \$781 billion. This is after we have already had, during this administration, repeated increases in the debt limit over and over and over again—during the first 5 years of this administration, raising the debt limit \$3 trillion.

I have used this slide to make the point that I believe the debt is the threat. So much of the writing and so much of the commentary is about the deficit. But the deficit is going up much more slowly—even though it is at record levels—than the debt.

This year, they estimate the deficit will be \$371 billion, but the debt will increase by \$654 billion. When are we going to get serious about what is happening to our country? We are plunging deeper and deeper into debt, and increasingly, it is financed by foreigners.

I have to say, I have never been more concerned about the future fiscal strength of our Nation than I am today because we just seem to be in total denial. We seem to be so disconnected from reality. We keep on spending. We keep on cutting taxes. We keep running up the debt.

When the President came into office, here is what he told us. He said:

My budget pays down a record amount of national debt.

He said:

We will pay off \$2 trillion of debt over the next decade. That will be the largest debt reduction of any country, ever.

Then he went on to say something that I believe:

Future generations shouldn't be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and [our] grandchildren.

That is what the President said. He was going to have maximum paydown of the debt.

Well, that is not what happened. The President was wrong. Not only has there not been any paydown of debt, the debt has skyrocketed, as this chart shows.

The debt, at the end of the first year of this President's first term, was \$5.8 trillion. The debt, at the end of this year, is going to be \$8.6 trillion—\$8.6 trillion—at the end of this fiscal year. If we adopt the budget that is before us, we will pile on another more than \$3 trillion of debt over the next 5 years, winding up with a debt of \$11.8 trillion.

Now, here is what has happened already during this administration.

From 1998 to 2001, we added no debt. In fact, we were paying down debt. Those were the ending years of the Clinton administration's time.

In 2002, under the President's policies, we added \$450 billion to the debt limit. In 2003, we added \$984 billion to the debt limit. In 2004, we added \$800 billion to the debt limit. In 2006, now they are out here wanting to add another almost \$800 billion to the debt limit.

These are not just numbers on a page. These are not just bars on a graph. These are not just charts. These are debts of our country that have to be paid back.

What is perhaps most stunning is the degree to which this debt is being increasingly financed by foreigners—foreign central banks, foreign investors.

I use this chart to make the point. It shows the pictures of 42 Presidents. These 42 Presidents took 224 years to run up \$1 trillion of external debt—U.S. debt held by foreigners. This President has more than doubled that amount—much more than doubled that amount—in just 5 years.

The result of all this is we now owe Japan \$668 billion. We owe China \$260 billion. We owe the United Kingdom over \$240 billion. We owe the Caribbean banking centers almost \$100 billion. These numbers change from time to time because of money flows. South Korea, we owe over \$60 billion.

So what. What does it matter that foreigners now hold almost half of U.S. debt? What difference does it make if we owe Japan \$670 or \$680 billion? So what.

Well, the "so what" is, when you owe somebody money, you have a different relationship to them than when they owe you money. We have gone from being the biggest creditor nation in the world—more countries owing us more money than any other country in the world—to now being the biggest debtor nation. We owe more money than any other country in the world, and by a big amount.

I just had representatives of the American automobile industry come to see me. They said: We have to get tough on Japan because they are manipulating their currency for advantage in selling their automobiles.

I said: Do you have any idea how much money we owe the Japanese?

They said: No. We have no idea.

I said: Well, we owe them over \$660 billion.

How are we going to get tough with somebody we owe \$660 billion?

Earlier I had a group of business leaders come to me and tell me: We have to get tough with China because they are manipulating their currency for advantage in international markets. I asked them: How much do you think we owe the Chinese? They did not know. I told them we owe them over \$250 billion.

How are we going to get tough with China when we owe them all this money? What would we do if all of a sudden they did not show up to buy our debt because now every time we have an auction, most of it is going to foreign entities. That is how we are floating this boat. We are mortgaging the future. That is what we are doing. Does that make America stronger or does that make America weaker?

A number of weeks ago, the President had a small group of us over—Senators—to talk about energy. He reminded us that in his State of the Union Address he said America is addicted to oil. And he turned to me and said: That's pretty good for a guy from oil country to say that, don't you think?

And I said: Yes, I do, Mr. President. But I tell you, not only are we addicted to oil, we are also addicted to foreign capital. We are addicted to borrowing from countries all over the world.

This creates a vulnerability for our Nation because if these folks decide they are not going to keep lending us money, what would we have to do to attract the capital to finance these massive deficits, this massive debt? We would have to raise interest rates. That is what we would have to do, and perhaps precipitously. Then all these mortgages that are out here that are interest-only mortgages, all these mortgages that are adjustable rate mortgages, all these car loans, all these student loans, all these business loans, all these corporate financings—all of it—would go up, and go up sharply.

That is the great risk that is being run. It is a danger to our country. The Chairman of the Federal Reserve Board has said this is an unsustainable course. The Comptroller General of the United States has told us it is an unsustainable course. The head of the Congressional Budget Office has told us it is an unsustainable course. But we keep right on keeping on. There is no change. And sometimes you wonder: Does anybody care? Does anybody have the faintest notion of where this all heads?

Before us is a budget for the next 5 years, put before us by the President of the United States, and now passed by the Budget Committee in the Senate. Those who brought the budget before us say it is going to reduce the deficit. They show these red bars on this chart, and they say those red bars are getting smaller, the deficit is going down. Boy,

how I wish that were true. How I wish that were true. But it is not true.

This is what is really happening. They have left out things. They have left out war costs past 2007. They have understated the war cost in 2007 in addition to that. But the chairman, to his great credit, has added far beyond what the White House suggested in terms of war costs for 2007. He has made at least a serious effort to cover the war costs in 2007. There is no money past 2007.

There is no money past this year to fix the alternative minimum tax. Over the next 10 years, it costs a trillion dollars to fix. There is no money here past 2006. You put that back in, and then you put back into the calculation the money they are taking from the Social Security trust fund. Every year, they take from Social Security to pay other bills. It all has to be paid back. None of it is in the deficit calculation, but it all gets added to the debt.

When you add it all back, what you find is that when they say the deficit is going to go up \$359 billion for fiscal year 2007, starting October 1, the debt is going up \$680 billion; and the next year, the debt will go up \$656 billion; and the next year, \$635 billion; and the next year, \$622 billion. And in 2011, it is going to go up \$662 billion. And they are telling us everything is getting better? It is not getting better. It is getting a whole lot worse. That is the truth.

They have come tonight and asked us to raise the debt limit of this country another \$781 billion. Over the next 5 years, they want to run up the debt by another \$3.5 trillion. So at the end of that period, we have \$11.8 trillion in debt. That is before the baby boomers retire. People may not know the exact numbers, but the American people have a lot of common sense. You can kind of reality test. We can't pay our bills now. We are nowhere close to paying our bills. And we are borrowing money from countries all over the world. We are borrowing money from the Caribbean banking centers. Anybody listening to me doing their banking down in the Caribbean? We owe them almost \$100 billion.

I know we use so many numbers when we talk about a budget. A lot of people tune it out and say: I can't follow all the numbers. Just follow one number: The debt of our country has doubled. The debt of our country has doubled in this 10-year period. The first 5 years of the Bush administration and the next 5 where they are proposing the budgets, they are going to have doubled the debt of our country before the baby boomers retire. And almost half of this debt has been financed by foreigners. When we have a bond auction now, much more than half of it is being bought by foreigners. We are digging a hole that is so deep, it will take years to get out.

We just had this Dubai Ports deal. Everybody gets upset about the United Arab Emirates buying the terminals in six of our major ports. I thought it was

unwise. But that is the logical conclusion to this fiscal policy and this trade policy. Because while we are running up the debt on the budget side by \$600 billion a year and running trade deficits of more than \$700 billion a year and we are financing it by borrowing from abroad, guess what. Foreigners are up to their gills in dollars. They are loaded to the gills with dollars. And what are they going to do with them? They are going to buy American assets.

Look at what has already happened to our ports. The vast majority are owned by foreign interests now. You might as well just put up a big for-sale sign on America and say: Come and get it, because we have not been able to restrain our spending and our appetite for debt and our unwillingness to tax ourselves to pay our bills. So what is the result? The result is runaway debt, increasingly financed by foreigners, and at the same time these trade deficits, which have the exact same effect, putting more and more dollars in the hands of more and more foreign entities. They have to do something with them. They can sit on them. They can hold them in their banks. They can invest them in U.S. stocks and bonds, which they are increasingly doing. And they can also just buy hard assets here.

We wonder about the Dubai Ports deal. Get ready. There are going to be a whole lot more deals like that coming because the world is awash in dollars, and we are buying much more than we are selling to foreigners. At the same time in our own budget, we are spending much more than we are taking in. As a result, we have to borrow, borrow, borrow.

The Comptroller General of the United States is the man who is given the responsibility to advise the Congress on the fiscal condition of the country. Here is what he said before the Senate Budget Committee:

Continuing on this unsustainable fiscal path will gradually erode, if not suddenly damage, our economy, our standard of living, and ultimately our national security.

It is that simple. It is that important.

Tonight we are going to make another fateful decision. Unfortunately, there is no alternative. We are going to have to pass this increase in the debt limit because the money has to be paid back. We have already borrowed it. We have already spent it. It is gone. Now the only question is, Are we going to pay the bill? There is no option. There is no alternative. If the United States failed to pay its debt, the value of our currency would plummet, interest rates would skyrocket, and our economy would tank. That is the hard fact.

This should be a wake-up call for every Member of the Senate, every Member of Congress, and a wake-up call for the President of the United States. The question is, Are we staying on this course to keep running up the debt, debt on top of debt, increasingly financed by foreigners, or are we going

to change course? I hope with every fiber in my being that we change course because if we fail to do so, we will weaken the country immeasurably. We will threaten not only our economic security but our national security.

I thank the Chair, yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. CONRAD. Mr. President, how much time does the Senator require?

Ms. STABENOW. No more than 10 minutes.

Mr. CONRAD. I am happy to yield 10 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 10 minutes.

Ms. STABENOW. Mr. President, I thank my distinguished ranking member from North Dakota, who does such an outstanding job every single day, speaking about the real values and priorities of the American people. I commend him for his leadership.

I rise today to express grave concern about this historic increase that is before us in America's national debt. Today, we owe \$8,270,260,017,805.93, and counting, on the national debt. That is a long string of debt that isn't going to go away—over \$8.2 trillion. In fact, it continues to grow. Just last month, we paid \$21 billion in interest alone. Earlier today, I offered an amendment for \$5 billion to make sure that the radios in this country are connected, interoperable, so they can communicate in case of a terrorist attack or a national disaster or other emergency. This was turned down by the body as being too much.

Yet we spent \$21 billion last month in interest alone on the national debt. The legislation before us allows this administration to continue to rack up another \$800 billion on the Nation's credit card. That means we are allowing the debt to exceed \$8.9 trillion. That is unbelievable. That is trillion with a capital "T."

Tragically, 5 years ago, we were sitting on top of the largest surplus in the Nation's history. The year I came into the Senate as a member of the Budget Committee, we were debating what to do with the largest surplus in the Nation's history, \$5.6 trillion. At that time, the Senator from North Dakota suggested—and I supported it—a strategy that would divide that surplus into thirds: one-third for strategic tax cuts in order to grow the economy; one-third for investment in our people, education, health care, science, research, law enforcement, those kinds of things; and one-third to go to paying down the liability we know is coming with Social Security. We would not be debating that gap in Social Security funding

on down the road if we had in fact used that strategy. But that is not what happened.

Instead, all of that was put into a supply-side tax cut geared only to the wealthiest Americans, and leaving everybody else to pick up the tab. Deficits have spiraled out of control since that time.

The budget we are debating only makes the national debt worse. It increases another \$4 trillion in debt over the next 10 years. That is the budget resolution that is in front of us. That doesn't reflect our values. As Americans, we want our children and grandchildren to do better than we did. It is not about leaving them debt; it is about creating opportunity and about leaving them good jobs, and health care, and air they can breathe, and water they can drink, and a strong national security so they are safe.

Unfortunately, because of our soaring national debt, our children and grandchildren are going to have to pay our bills. I find that simply outrageous. In essence, we are going to max out on the Nation's credit card and then send the monthly bill to our children.

As most people know, this is a tough time for the people of Michigan. Anybody who has read the newspaper lately knows that companies such as Delphi and General Motors and Ford are struggling. Due to problems such as unfair trade practices, we are literally losing our manufacturing base in this country, coupled with the fact that we need to fundamentally change the way we fund health care in order to get health care costs off the back of business so they can be more competitive in a global economy.

Manufacturing has been the key to building a solid middle class and creating a way of life that is extraordinary for Americans. If we lose our manufacturing industries, such as automobiles, we are going to lose our middle class in this country and lose our way of life.

You might wonder what do unfair trade practices have to do with the increasing national debt. The answer is: A lot. That is because many foreign countries own our national debt. That means we have to borrow from other countries to pay our bills. And we are borrowing more and more from foreign countries in recent years.

Unfortunately, many of those countries that own our debt also refuse to follow the international trade rules. They cheat. They want to be a part of the international community, but they don't follow the rules. In fact, China and Japan own approximately half of all of our foreign debt. At the same time, they continue to take our patents and to manipulate their currencies so their products cost less, in violation of international law.

This hurts our manufacturing sector because it makes it easier for them to sell their products in America and tougher for American businesses to export our products to their countries.

For example, a \$20,000 car imported from Japan has an unfair subsidy of as much as \$7,000 over a U.S. automobile. At the same time, U.S. exports to China face a \$7,000 tax. This cost advantage directly subsidized over 1.7 million cars and trucks exported to the U.S. last year, as well as every component imported by Japanese manufacturers for use in their U.S. assembly plants.

China has been pegging its currency and is responsible for producing a \$12 billion market of counterfeit auto parts, which has cost us the equivalent of 200,000 jobs in America—many in Michigan.

We should be getting tough with China and Japan on these trade violations that are costing Americans their jobs and threatening our middle-class way of life in this country. They are illegal. We should insist that they stop. But our Government is weak-kneed because we have borrowed so much money from them. There is a connection between the budget deficit and our trade deficit, both of which are out of control.

When I look at what families in Michigan are having to go through, men and women who have worked hard all their lives and have paid into a pension, and they may not have it now, and their cost of health care is going up, or maybe they won't have it anymore and they may be losing their jobs, and their dreams for sending their kids to college are going away, the American dream that says you can buy a house and have a good home and dream big dreams, and maybe in Michigan you can buy a cottage up north and a snowmobile, and you make sure you can live a good life and care for your families—those dreams are going away for too many people. Part of the reason is because of unfair trade practices. We don't have a level playing field. We do not make sure other countries are following the rules. They are cheating and they are getting away with it.

When we look at what is happening, we see that China and Japan own half of our foreign debt. They are the same people who are not following the rules and are costing us jobs. There is a direct connection between what is happening here in terms of raising this debt limit and what is happening in my home State of Michigan in terms of jobs, and the fight we have right now to keep our way of life. There is a better way than what is before us now.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Senator from Michigan, who is such an exceptionally valuable member of the Budget Committee. She has been one of the strongest voices on the question of what are the priorities of the budget. Also she is a very strong voice for fiscal responsibility, recognizing that if we want to spend money, we have to pay for it. The Senator from Michigan has been a great leader on

the Senate Budget Committee. I thank her so much for her contribution during the year, and again on the debate on the budget resolution this year.

While we are waiting for the chairman of the Finance Committee, who is being called off the floor momentarily, I want to remind colleagues of the circumstance we face tomorrow. If there are staffs listening or Members listening, we are still getting requests as though we had a lot of time left. We simply do not.

Tomorrow we are going to start at 9. We are going to be handling amendments that are in the queue until 10:30. At 10:30, we will start voting on amendments and we will vote on the debt matter and amendments to the debt resolution. When those have been dispensed with, we will then go back to the consideration of amendments until 1:30.

At 1:30, all time has been deemed to have been used up in the budget resolution debate. We will start a series of votes every 10 minutes. Right now, with the number of amendments pending, we now have 65 votes pending on this side alone. We know we can do 3 amendments an hour. If everybody sticks to their amendments, that is 22 hours of straight voting. That is just the amendments on our side. The other side has another 15 amendments. That is 80, so that is 27 hours of voting.

That is the situation we face. It is in the hands of the Members. Are people going to show restraint or are people going to insist on every amendment to be offered and voted on? I hope very much that we can convince colleagues to take very short time agreements tomorrow. I will not agree to any time agreement over 10 minutes tomorrow, period. Let me make that very clear. I hope we can get time agreements as short as 5 minutes before we get into vote-arama. When we get into vote-arama, understand that there will be 1 minute on a side.

So, again, I hope colleagues understand the circumstance we face. We have lost a tremendous amount of time to extraneous events—a joint session, meetings at the White House, and the debt limit debate put in the middle of this discussion. So that is the reality we face.

Last year, Lula Davis has just informed me, we started voting at 1:17 in the afternoon, and we voted until roughly 10 o'clock at night. Some of those votes were held every 5 minutes, and we handled over 20 amendments during that period. I think one can see if we have to try to do 80 amendments, we are going to be here a very long time.

With that, I thank the Chair and yield the floor.

Is the Senator from Oklahoma seeking recognition?

Mr. COBURN. I am.

The PRESIDING OFFICER (Mr. DEMINT). The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, I don't want to be offensive in any way. I listened to two talks about where we are,

and I agree with where we are financially. But there are some facts that are left out of the story. There is no question that spending has increased. There is no question the debt is going up. But who is responsible for it? We can talk about it. First, we had a recession, and then 9/11 came, and there were rosy projections we all knew for certain weren't right. But to turn around and blame our debt on the President of the United States is not only in error, it is not factually correct, and it also tends to shun the responsibility we have as a body.

The President cannot sign any bill we don't pass. This President became President in early 2001, at which time the Republicans weren't in control of the Senate. There was a divided—in 2002, that is, and there was a divided control. But during all that period of time, the bills that went to the President were voted on by Congress; both the House and the Senate passed bills. I also note that those people who have been so earnestly talking about our debt limit, which I plan on attacking aggressively—there is some credibility there with the talk.

This last year they voted for over \$700 billion in new spending. So if, in fact, you want to control the spending and you don't want the debt limit to go up, you can't continue to vote for unlimited spending increases.

There is no question that we have increased revenues that are not what they probably could be if we ran the Government much more efficiently, but the very fact that we would have people who claim they are appalled at the debt limit and then every time we cast a vote for an increase of spending that is not paid for or not offset in another way adds directly to that debt limit.

The responsibility lies in the Congress for the spending. It is not the executive branch. As a matter of fact, we have sent multiple bills, and if you look at the votes on the multiple bills that have come through this body, they are not just a majority vote, they are a supermajority and many times unanimous. So to claim and lay that on the executive branch when, in fact, it is our responsibility belies the truth.

The facts that the Senator from North Dakota outlined are very accurate in terms of where we are. Here is one of the most important facts. The increase in debt per Americans since 2001 is over \$8,000. The increase in the annual earnings per American workers since 2001 is less than \$4,000. We are about to become the first generation of Americans to leave the next generation worse off. But as long as we are finger pointing and saying it is somebody else's problem, we are not going to solve the problem.

We had an opportunity this past year in which we slowed down the growth of Medicaid by \$4.8 billion a year and over a 5-year period. That total cumulative cost is \$38.8 billion. That is the savings for 5 years. But the earmarks alone

that this body passed last year were \$64 billion.

I am highly concerned about the debt limit, and it is doubtful that I will be voting to extend the debt limit, but I certainly am not going to stand here and let people claim that it is the executive branch's responsibility. It is not. It is ours, and we failed. We have failed our grandchildren, we have failed our children, we have failed the people who are paying taxes today in this country. We would rather get reelected by doling out earmarks and pork than solve the real long-term problems of our country, and we can see that very easily when we look at earmarks related to the size of the Federal Government.

There is a cause-and-effect relationship. As a matter of fact, tomorrow morning we are having a hearing on earmarks in the Federal Financial Management Subcommittee, the oversight Committee on Homeland Security. What you see is that in 1994, there were 4,000 earmarks and about \$4 billion. Last year, there were 15,877 earmarks, and the total spending by the Federal Government was over \$2.6 trillion. There is a correlation. It is that we don't want to do the hard work of making the hard decisions.

So when we have \$64 billion in earmarks in 1 year and we can't get the hard savings of \$4.8 billion in just slowing the growth of Medicaid from 8 percent to 7.9 percent, and we barely pass that, what we have is a refusal to do our duty.

The points the Senator from North Dakota made in terms of his financial analysis were all accurate. You can't dispute it. He points out very accurately the double standard on accounting gimmicks that the Congress is using.

It is my hope that tomorrow we will be able to discuss this more. I know the chairman of the Finance Committee would like to have the floor, and at this time I yield the floor.

THE PRESIDING OFFICER. The Senator from Iowa.

MR. GRASSLEY. Mr. President, the issue of the increase in the debt limit has come before the Senate as an agreement between the two leaders, and as the committee of jurisdiction, as chairman of the Finance Committee, I speak in support of House Joint Resolution 47, a bill that increases the Federal debt limit. I support this increase because it is necessary to preserve the full faith and credit of the Government. Without an increase in the debt limit, our Government will face a choice that we should not make and we would not want to make: a choice between breaking the law by exceeding the statutory debt limit or breaking faith with the public by defaulting on our debt. I hope everyone would agree that neither choice is acceptable.

To understand why we are here today seeking to increase the debt limit, it is necessary to explain a few points about the Federal debt.

Under current law, there is a statutory limit on the amount of debt that can be issued by the Federal Government. This limit, which now stands at \$8.184 trillion, applies to virtually all the debt issued by the Government. There is only one debt limit, but there are, in fact, two types of debt within that figure: debt held by the public—meaning you and I as private citizens buying Government bonds, owning Treasury bills—and then, of course, on the other hand, the debt held by various Government trust funds. An example would be the surplus that is invested in the Social Security surplus payroll that is not being paid out for benefits, being invested in Government debt with that debt owed to the trust fund with the interest accumulating to the trust fund.

The amount of Federal debt held by the public is determined by the Government's annual cash flow. When total spending exceeds total taxes, the Government has a budget deficit. To finance this deficit, the Government borrows from the public by selling debt, such as Treasury bills, Treasury notes, and Treasury bonds. We will hear a lot of criticism that President Bush's tax cuts are responsible for our rising public debt, but the facts show otherwise.

When President Bush took office in 2001, the Federal debt limit was \$5.95 trillion, almost \$6 trillion. The debt limit was increased to \$6.4 trillion in 2002, \$7.3 trillion in 2003, and now the present \$8.1 trillion in 2005.

Assuming we increase the debt limit today, it will be \$8.965 trillion. Thus, the Federal debt limit will have increased by \$3.015 trillion since President Bush took office in 2001.

However, the tax cuts that have been enacted since 2001 total roughly \$900 billion through the end of the most recent fiscal year. That includes interest costs as well. Thus, the President's tax cuts account for about 30 percent of the increase in the Federal debt. The rest of this increase in the public debt is due to the recession, the war in Iraq, and the increased spending on homeland security, also related to the war on terror.

In addition to the debt held by the public, the Federal debt limit also applies, as I said before, to the debt held by various Government trust funds, such as Social Security and Medicare. Whenever a trust fund program collects more than it spends, the surplus is invested in special issue Treasury securities. These special securities count toward the debt limit. However, it is important to understand that the amount of debt held by the trust funds does not reflect the Government's unfunded obligations.

For example, the Treasury Department reports that the total amount of Federal debt held by all the trust fund programs is about \$3.5 trillion. However, the Social Security and Medicare trustees report that the unfunded obligation of Social Security and Medicare is more than \$81 trillion.

Given these facts, it should be obvious to everyone that the Federal debt provides a misleading and inaccurate picture of the Government's future liabilities. Efforts to use the statutory debt limit to control Government debt and deficits cannot succeed because it ignores the long-term budget problems.

Indeed, even former Federal Reserve Chairman Greenspan has suggested the debt limit has outlived its usefulness and should be replaced with a more accurate and useful alternative. I would welcome the opportunity to work with my colleagues to develop such an alternative. It may never happen, but it ought to happen. This is not quite a very intellectual way to decide what the Government is doing in a fiscal way because, quite obviously, every day Congress is appropriating money and every day we are spending money and every day if that exceeds the taxes that are coming in and we get to the debt limit, the debt is going to increase or is going to shut down the Government.

As a Republican, that was part of our strategy during the Clinton administration. But let me tell you, it didn't work. It didn't work because it wasn't good policy, and it ended up not being very good politics. I hope we do not have an extended debate and a lot of breast beating about the issue of increasing the national debt because, quite frankly, if we spend and we spend up to that limit, we are not going to shut down the Government, if we learned the lesson, as I hope I learned the lesson, and we move on. It ought to be very pro forma.

There will be a lot of debate about it, a lot of political points trying to be made, but the point is we have to keep the business of Government going. I would relish the opportunities to have those days when we paid down \$550 billion on the national debt during the fiscal years of, I think, 1997, 1998, 1999, and 2000, I believe it was. It was about \$558 billion I believe that we paid down on the national debt. I am glad we did. But now we have the war on terror, we had 3,000 Americans killed in New York City because of terrorist attacks, and we are fighting a war to make sure terrorism doesn't happen again, at least on the soil in the United States of America.

The No. 1 obligation of our Government under the Constitution is for the national defense. Protecting our people from further terrorist attacks is very basic to it. We voted, in a bipartisan way, to send men and women to the battlefield in Afghanistan and Iraq, and if we do that, we have an obligation to appropriate the money to give them the tools to do the job when they put their life on the line for our freedom and our liberty and to make sure that 3,000 Americans don't get killed again. These all create situations wherein we have annual debt or annual deficits, and you increase the national debt on a cumulative basis when you do that. So there will probably be al-

most 50 votes, maybe, against this resolution when we vote on it tomorrow. I would ask the people who vote against it, do you want to shut down Government? Or if you don't want to shut down Government, you don't want to increase the national debt, why did you vote for the money we spent that brings us to the point of a necessity of increasing the national debt? We should pass this resolution for the sound operation of our Government. Shutting down Government, we found out, ended up costing the taxpayers more than if Government had operated.

There are a lot of conservatives listening who see a conservative like CHUCK GRASSLEY saying that, and they say: GRASSLEY, what planet did you come from? If we shut down Government, you ought to save money. But we didn't end up saving money. So you learn from history, or you are destined to repeat it. That is why this ought to pass unanimously. It won't, but it ought to.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield 15 minutes to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Montana and commend him for his hard work on matters financial in the Senate and in our country. Fiscal responsibility is the watchword for the Senator from Montana, and I am grateful for his leadership. At the same time, I say to the distinguished Senator from Iowa, the chairman of the Finance Committee, he is someone who also works very hard to make us a responsible nation, and I respect him. Although we differ on things, the fact is that I listen carefully to what the Senator from Iowa has to say. He has a position of great responsibility, the chairman of one of the most important committees in the Senate, and carries that responsibility honorably; again, if I may say, at times wrongfully, but it is in the eyes of the beholder. But I know the Senator from Iowa understands that if there is any criticism of his views, it is not personal and has nothing to do with his credibility or his honor.

I listened very carefully to what the Senator from Iowa talked about. He talked about shutting down Government and he talked about providing security for our people, protecting them, making sure their lives continue in safety. But I don't get it. I have to tell you this: I don't get it. Because when issues came up such as when we needed more money for port security, we said no. When it came up that we needed more money for the Department of Homeland Security, we said: Well, we will give you some but not all you need. When it came to providing some developmental funds for technology that would help us examine containers coming into our ports, we were unwilling to do it.

So now what we hear is the lament that says: How can we shut down our

Government? Well, we can avoid shutting it down by not extending tax cuts to the wealthiest among us, people who make millions and don't need any help. I meet these people, and they say: Yes, we don't need it, but what the heck, if it is there, we are going to take it.

But when you think about the outcome of this profligate spending we are seeing here and our deficit going through the roof—I heard one of our good friends from the other side talk about reducing our annual deficits. Well, they could be reduced a trifling amount, but if you look at the debt, that debt increases, that clock is ticking.

We have here an example of a credit card, and our credit card is running kind of over the limit. Right now, we are carrying an \$8.2 trillion credit debt. That means if you borrow on credit, you have to pay it off. President Bush and his colleagues, the Republican Congress, are encouraging burdening our children and our grandchildren under a mountain of debt.

A lot of what we do around here is hidden in complicated budget rhetoric, but to put matters simply, this debt extension bill will increase President Bush's credit limit, the one he has established, by \$781 billion. It will encourage this Republican Congress—they are the majority—to charge another \$781 billion on our Nation's credit card.

Most Americans with credit cards know that you have to play by the credit card company's rules. People understand when they run up big bills they will be responsible to eventually pay up. Few people run up a giant credit card bill and then leave it for their children to pay. But that is what the Bush administration is doing, running up credit, and their kids will have to pay the bill.

Since President Bush took office, he has already increased the total Federal debt by 46 percent. He has added \$2.5 trillion to the debt future generations will have to pay. So I say enough is enough. The President and the majority in the Congress have been far too reckless for far too long with our Nation's credit card. We see who the managers are of the legislation we considering here: the Republican majority. And they want to extend his credit limit. I say no way.

In my view, it is time to limit the credit. It is what most parents would do. What would you do as a parent if you had a kid, a child who was running up bills on your credit card, just running them up, higher and higher and higher, and you know you can't pay them off? So what would you do? Pat him on the head and say: Go spend more? No, you wouldn't do that at all. What you would do is cut up his credit card. And this is what we are going to do: cut up his credit card right here and now.

America can do better, leave a better legacy for our grandchildren and their children. Our consciences scream out

just as a family would at home: We are buried in debt; why do you want to add more to it? The response would be: Mom and dad, why do you do this to us? We have college debt from our years at the university. We have less reliability, less reliance on pension funds. They are not guaranteed anymore. We have less expectation that we can hold our jobs based on foreign competition, jobs that used to be done here in Washington, DC, and in my home State of New Jersey and States across this country, jobs that were held, and they were good-paying jobs. Now they come with an accent from India. There is nothing wrong with the accent, but there is something wrong with the place. Why should we be transferring decent jobs Americans can do and do well to India? Why? Because we pay maybe a tenth of what it costs us here. If someone makes \$500 a week here, and in India they make 50 bucks, they will be feeling pretty good. So the result is that we are lowering living standards for Americans across this country, and these jobs will not be replaced.

I know something about balancing budgets. I ran a big company, a very large company; it now has 40,000 employees. We started with nothing. We worked hard. But we always balanced our budget. We had 42 years in a row with growth on the profit at 10 percent every year over the previous year, the longest record of any company in American history. That is the company I ran; it is called ADP, Automatic Data Processing. I was the founder.

Here in the Senate, I was the senior Democrat on the Budget Committee. We produced during those years the first balanced budget in 30 years. We did such a good job that when President Bush, President George W. Bush, took the oath of office, he was presented with the rosier financial picture of any President ever in the history of our country. We had budget surpluses as far as the eye could see. In 2000, we had a budget surplus—surplus—and that is in the year 2000, 5 years ago, going on 6 years ago, we had a budget surplus of \$236 billion. In 2001, when President Bush came into office, he had a surplus of \$128 billion. We were ready to pay off our national debt by the end of his term. We were in the middle of the longest economic expansion in the history of our country. But the Republicans plunged blindly and recklessly into massive tax breaks, not for the middle class or poor, lower level income among us, but the wealthy, the special interests—tax breaks that will cost \$3.4 trillion if they are extended over the next decade. A third of that amount, more than \$1 trillion, will go to the wealthiest of the wealthy, the top 1 percent.

This is what the Bush tax cuts will mean. If you make \$1 million a year, you get an average tax cut of \$136,000. That helps everybody out every year, I guess, if you need that. But if you make less than \$20,000 a year, you get 19 bucks—\$19 if you make \$20,000 a

year. Is that helping the people who are struggling with two jobs often, trying to balance their family obligations with their need to earn an income, having a babysitter intercede while dad comes home from work and mom doesn't yet go to hers? That is what is happening to a lot of people making \$20,000 a year with two children in this society of ours—a \$19 tax break. Don't spend it all in one place.

And to what end? The only thing President Bush and the Republican majority have accomplished is a doubling of our Nation's debt. If we continue on this path, our national debt will be \$12 trillion by 2011.

Tomorrow we are going to vote on whether President Bush should be able to charge up another \$781 billion on our credit card, the citizens' credit card, the national credit card. That is \$781 billion more of debt. I hear from people I talk to who work for a living with kids in college, they are worried about their personal debt they have to have to get along, so we want to make their job twice as tough by adding more of the national debt on their shoulders. Would a bank keep extending the line of credit for a customer who didn't have a plan to pay his bills? Of course not. That is why I say to my colleagues that we should say to the American people: We really do stand for fiscal responsibility, and we really do want to reduce our deficit, and we really do want to cut back on that debt so we can look our children and grandchildren squarely in the face and say: We didn't add to your woes, we added to your opportunities.

So I urge my colleagues to tell the people the truth out there. Don't cover it up with arcane language. Let us put a stop to this reckless credit binge. Let's make President Bush's credit card useless and put our country back on the road to fiscal responsibility.

I yield the floor.

Mr. KERRY. Mr. President, about 16 months ago, we debated an \$800 billion increase in the debt limit. At the time, this was the Bush administration's third request to increase the debt limit for a grand total of \$2.2 trillion. During this debate, I discussed how in less than four years, a 20-year \$5.6 trillion budget surplus was turned into a \$2.4 trillion deficit. I thought at the time the fiscal outlook could not get much worse and the budget situation would have to improve.

Unfortunately, I was wrong. Since the last debate on increasing the debt ceiling, the administration has not submitted budgets that would put us on a path towards deficit reduction. As part of last year's budget resolution, Congress passed legislation that would reduce spending by almost \$40 billion. Many of these cuts will impact those that have the least. Now Congress is in the process of wrapping up a \$70 billion tax bill. When you combine the spending and the tax bill, the numbers do not add up to put us on a path towards deficit reduction. The combined total

increases the deficit and increases the debt.

The Bush administration's budget for fiscal year 2007 includes more of the same and the fiscal situation even gets worse. The administration estimates that the deficit for 2006 will be \$423 billion, the largest in history. The projected surplus of \$5.6 trillion that this administration inherited will now turn into a \$3.3 trillion deficit, a reversal of \$8.9 trillion.

The repeated pattern of deficits and irresponsible budgets necessitate another increase in the debt limit. Today we have before us an increase of \$781 billion, which will bring the total to \$3 trillion under this administration's watch. If the President's budget is adopted, the debt is expected to reach \$8.6 trillion at the end of this year. Under this budget, with alternative minimum tax reform and ongoing war costs added in, the debt will explode to \$12 trillion by 2011.

We cannot continue on this unsustainable path. Yesterday, Senator CONRAD offered an amendment to the budget resolution to restore the original pay-as-you-go rule that led us on a path to a balanced budget, projected surpluses, and expectations of paying down the debt. These pay-go rules simply require new mandatory spending and new tax cuts to be offset. The current pay-go rule has a glaring loophole. Tax and spending increases that are provided in the budget resolution are exempted. This rule does not promote fiscal responsibility. A prime example of this is the tax and spending reconciliation instructions included in last year's budget resolution. These bills will increase the deficit by \$30 billion.

Repeatedly, efforts to restore pay-go have been defeated and these efforts were defeated once again yesterday. In the context of today's debate, I do not know how anyone could oppose an amendment to restore these rules. Without strong pay-go rules, we will be back here in a year debating another increase in the debt limit.

We have a fundamental obligation to restore fiscal responsibility rather than merely voting to raise the debt limit as if there was an endless credit card at the expense of the American people. Americans struggle every day to balance their own budgets. Across this country, I have heard how families struggle to keep up with the rising costs of health care, tuition, and gasoline. Median household income has declined by \$1,669 or 3.6 percent after inflation. Americans are sitting around their kitchen tables trying to figure out how to pay their bills. They do not have a magic credit card with no limit. Congress should play by the same rules.

We need to be responsible and think about future generations. We made tough choices during the 1990s in order to dig ourselves out of a hole, and now we are back in an even deeper hole. We need to face the consequences. The interest payments on the debt alone are

staggering and depriving of us choices that we need to make for the long term investment of our country. This debt will affect our children and grandchildren. Each individual's share of the public debt is over \$16,000 and a family of four's share is a staggering \$64,533.

The interest on the debt for this year alone is over \$220 billion and according to the administration's budget it will grow to \$322 billion in 2011. Just think of how this money could be put to better use. It could be used to help uninsured Americans with the rising cost of health care. We cannot afford expensive interest payments and ever-increasing debt with the retirement of the baby boomers on the horizon.

Not only is the amount of debt a problem, I am also concerned about the amount of debt that is foreign held, almost \$2.2 trillion. Japan holds the most, \$685 billion. China holds \$258 billion. Even the Caribbean banking centers hold \$111 billion. Over 51 percent of the public debt is held by foreign investors.

Sixty percent of the foreign debt is held by official foreign investors. It is dangerous for our Government and our standard of living to be dependent on foreign capital. If foreign investors decided to stop financing our borrowing habits, it could have a spiraling impact on our economy. If those investors began to withdraw their capital, our financial markets would plummet and interest rates would climb. This would filter down to American families. Homes, education, and cars would become more expensive.

Debt is more than a financial liability—it weakens our security, our diplomacy, and our trade policy. The negligence of our borrow and spend policies leaves us vulnerable to the priorities of foreign creditors. How do you go to a country that holds so much of your debt while your economy is closely linked to theirs and make an argument about nuclear proliferation, human rights, democratization, or other issues that are of importance and great consequence to our country?

We need to make economic opportunity and fiscal responsibility a common goal. We need to live by rules that give the debt limit meaning. I will not support a borrow and spend economic policy that has no limits. There are better alternatives.

Mr. SARBANES. Mr. President, I am deeply troubled by the pending legislation, which would raise the Federal debt limit by \$781 billion. The fact that we are considering this legislation illustrates how deeply the policies of this administration have plunged us into deficits and debt. This President has supported, and continues to support, tax cuts for the wealthiest Americans, which are not paid for and which will continue to run up deficits and debt as far as the eye can see. I am very concerned that if the President continues to pursue this reckless fiscal policy, our Nation's long-term economic strength will be seriously compromised.

Despite the fact that the President signed into law legislation increasing the debt limit less than a year and a half ago, the Treasury Department has now informed us that it will need to borrow even more to keep the Government functioning. The legislation we are considering today would allow Federal debt to grow to \$8.965 trillion, truly a staggering sum.

When President Bush took office, he promised that his fiscal policies would include "maximum possible debt retirement." At that time, the Congressional Budget Office was projecting that our net debt to the public would decline to \$36 billion by 2008, when this President leaves office. Now, instead of achieving "maximum possible debt retirement," the President is asking for historically high debt increases. In fact, the CBO is now projecting that publicly held debt will rise to nearly \$5.5 trillion in 2008—almost 40 percent of our GDP. Gross Federal debt, which includes our commitments to Social Security and Medicare, will be \$9.6 trillion by the time this President leaves office.

You do not need a very long memory to recall that a few short years ago, under President Clinton, we made some very hard choices on taxes and spending—restraining spending and raising some taxes, primarily on upper-income people—and we were able to turn around the Nation's fiscal status and begin to pay down our debt.

When President Bush took office in 2001, the statutory debt limit stood at \$5.95 trillion and had not been raised since 1997. The administration is now asking for the fourth increase in the debt limit since this President took office. The limit was raised by \$450 billion in 2002, by \$984 billion in 2003, and by \$800 billion in 2004. Now the President is asking for an increase of \$781 billion—for a total increase of more than \$3 trillion since 2001.

These figures demonstrate how seriously our economic situation has deteriorated under this administration. Let me just emphasize that point with one further example. When the President took office, he inherited a 10-year surplus estimated at \$5.6 trillion. Now, when you factor in some of the costs we know are coming, such as the continuing costs of the war in Iraq and the cost of reforming the alternative minimum tax, plus the cost of some of the President's proposals, such as making his tax cuts permanent and continuing his defense buildup, the projections are for a \$3.5 trillion deficit over the next 10 years, a reversal of \$9.1 trillion. That is a seismic shift in our position.

Much of this shift is a direct result of the reckless fiscal policies pursued by the President during his first term and his singular focus on providing tax cuts for the wealthiest Americans, even at a time of war. And the President is seeking to increase our debt burden by permanently extending many of these tax cuts, utterly ignoring the fact that these massive tax cuts for the rich

have led to budget deficits so large that they could jeopardize our future economic strength.

In part, my concern for our economic future stems from a change in international economic position of the United States. Two decades ago, the United States was a creditor nation internationally, by about 10 percent of our GDP. Now, because of the deterioration of our position over those intervening two decades, we are a debtor nation, to the tune of almost 25 percent of our GDP. At the end of fiscal year 2001, 31 percent of the outstanding Federal Government debt was held by foreign lenders. Over the succeeding 4 years, borrowing from abroad accounted for more than 80 percent of the increase in our Government debt.

The international financial position of the United States reminds me of Tennessee Williams's *Blanche DuBois* in "A Streetcar Named Desire," who said: "I have always depended on the kindness of strangers." That is what has happened to the United States in the international economic scene. We have deteriorated into a debtor status so that we are now dependent upon the kindness of strangers. That is not where the world's leading power should find itself.

This dramatic change in our economic situation comes at a time when the United States is facing a demographic tidal wave as the baby boom generation approaches retirement. When President Bush first took office, that retirement was almost a decade away. But time has run out. The first of the baby boomers will begin to retire in 2008, on this President's watch. Unfortunately, rather than prepare for the obligations we know are coming, this President has squandered every opportunity to save for the future.

Moreover, his policy of deficit-financed tax cuts makes us less able to make needed investments today. Every increase in the Government's debt means we are siphoning off resources that could be used for other purposes simply to pay the interest on that debt. Net interest payments on our debt are expected to consume more than \$1 trillion over the next 5 years. Instead of making investments in education, in health care, in transportation, we are paying billions of dollars in interest costs that would not have existed in the absence of the reckless fiscal policy of this administration.

Not only do these policies jeopardize our current and future economic strength, they place a tremendous burden on our children and grandchildren who will have to pay off this debt. By cutting taxes for the wealthiest, the President is really raising taxes on everyone, including our children and grandchildren, by leaving them with the responsibility for paying off this enormous debt.

It is unfortunate that this administration has demonstrated such a single-minded focus on cutting taxes, regardless of the very serious change in

our economic situation and our country's current and future needs. The fact that the President is calling for permanent tax cuts at the same time the Congress is being asked to add almost \$800 billion to the Federal debt ceiling is beyond reckless—it places in jeopardy our future economic strength and the economic security of all Americans.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself as much time as I consume.

Thomas Jefferson once wrote:

It is incumbent on every generation to pay its own debt as it goes.

That is what today's debate is about. Will this generation pay its own debt as it goes or will this generation choose to shift the burden of paying for our consumption to our children and our grandchildren? Will this generation take responsibility for its own appetites or will this generation rob from the mouths of our children and our grandchildren?

This question defines the very line between responsibility and irresponsibility.

Today we debate legislation to memorialize the shifting of that burden to our children. Today we debate raising the Government's borrowing by \$781 billion. That is more than three-quarters of a trillion dollars for 1 year. This follows on the heels of an increase of \$800 billion in November of 2004, less than 1½ years ago. That followed an increase of \$984 billion in May of 2003, less than 1½ years before that. That followed an increase of \$450 billion in June of 2002, less than a year before that.

This is the fourth time we have had to raise the debt ceiling in the 5 years of this administration. In contrast, prior to that the Government did not need to raise the debt ceiling for about 5 years. Moreover, as this chart shows, the cumulative increase during the 5 years of this administration has been a mammoth \$3 trillion. That is the definition of irresponsibility.

Look at this chart. In 2002 the debt limit increase is \$450 billion; 2003, \$984 billion; 2004, \$800 billion; 2006, \$781 billion. That totals over \$3 trillion; that is a \$3 trillion increase in just over the last 5 years.

Look back at our history. What about American history prior to 5 years ago? The debt of the United States did not hit \$3 trillion until 1990, a full 200 years after this country was founded. Now we have accumulated \$3 trillion in new debt in just 5 years. That is the definition of irresponsibility.

This debt increase will be the fourth largest debt increase in the history of our country. This chart shows the size of debt increases. As you can see from this chart, the record for a debt ceiling increase was \$984 billion. That was in 2003. We can see it on the chart. The second highest record was \$915 billion. That occurred in November of 1990.

That is this big spike. The third largest increase was in 2004 when we raised the debt ceiling by \$800 billion. That is not far from today's request, which is to increase it by \$781 billion.

During the time this administration has been in office—let's look at it from a little different perspective—the debt has gone up by about \$10,000 for every man, woman, and child in America. Consider that. During the time this administration has been in office, the national debt has gone up by \$10,000 for every man, woman, and child in America. For a family of four, that is an increase of \$40,000 over the last 4 years. That is more than most Americans pay for a car.

It is bad enough we have accumulated so much new debt during the 5 years of this administration, but there is a big difference between the debt increase during this period and the debt before. Before, most of the debt purchased from the U.S. Treasury was purchased by U.S. citizens and institutions.

Let me repeat that. Up to 4 years ago, most debt was purchased by Americans and American institutions. At least the interest we paid on that debt, therefore, was paid to Americans. The wealth stayed in our country. That was up until about 4 years ago.

It has changed. That is no longer the case. During the 1-year period—get this. You will be stunned by this next fact. During the 1-year period between December 2004 and December 2005, foreigners purchased 96 percent of the new debt held by the public. Almost all of the debt purchased in that 1-year period, December 2004 to December 2005, was purchased by foreigners, almost all of it; 96 percent of it in 1 year, the last year.

Foreign citizens, foreign banks, foreign central banks, and other foreign institutions bought this debt. Not Americans, foreigners. The amount of public debt held by foreigners has doubled during the time that this administration has been in office; that is, just last year almost all of it. But when you add it with the prior years, now it has doubled since this administration has been in office. The interest on that debt is being siphoned out of our country. The foreigners buy the debt and the interest on that debt. Where does it go? The interest goes to those who own the debt—not Americans, people overseas.

What is the consequence of that? That makes us less wealthy and it means the standard of living of our children and grandchildren will be lower than it ought to be. That is the definition of irresponsibility.

The problem is not confined to our future standard of living. The problem is also today. Some of the foreign holdings of debt are in the hands of foreign central banks. Japan holds two-thirds of a trillion dollars of U.S. debt. China holds over a quarter of a trillion dollars of U.S. debt. Undoubtedly, the governments of these two countries hold a

substantial portion of that debt. These large holdings of Treasury debts by foreign central banks are a risk to our homeland security and our economic security.

Does anybody ask why is that? Suppose the President of the United States thinks another country is jeopardizing American security. Suppose—it could happen—the President would like to tell that country that America would take action against it if it did not eliminate the threat to America. But if that country's central bank held a large amount of our Treasury debt, that country could threaten to sell it quickly. That sale would drive up U.S. interest rates and cause the dollar to fall. That could cause a recession in America. I am not saying a foreign central bank would do that off the top, but it would hint it might. It doesn't have to sell it all off, just a little bit. But that clearly shifts the power over to that central bank from the United States. As a result, the President might have to back down because of threats or insinuations, and so America would therefore be at a greater risk.

In the same vein, suppose the United States is involved in a trade dispute with a foreign country. It happens. If that foreign country's central bank held a lot of our debt, that country could threaten to sell that debt and force America to back down from its position on a trade dispute. America could be weaker in trade as a result. You could, obviously, apply that to almost any situation—not just trade or security but a whole host of areas where the United States has an interest with certain countries overseas.

At a recent Council on Foreign Relations event, Stephen Roach of Morgan Stanley put the risk in concrete terms. He said:

For a country that is more dependent on foreign capital than any country has ever been in the history of the world—for us to try to dictate the terms on which that capital is provided telling Dubai, for example, you know, "You can't buy our port facilities but keep on buying our Treasuries;" and you keep telling China basically the same thing, I really worry about the potentially dangerous path our elected leaders are taking us down.

The bottom line is simple. These massive increases in debt harm America. They are the very definition of irresponsibility.

How did we get to this point? The Federal budget deficits drive up our debt, and these deficits have been huge during this administration. When this administration took office we were running large budget surpluses. Do you remember those days, not too many years ago? A \$5.6 trillion surplus over the next 10 years was the projection back before the year 2000.

In fiscal year 2000, the last year of the previous administration, we ran a surplus of \$236 billion just for that 1 year. We ran a surplus of \$86 billion even without counting Social Security. By fiscal year 2001, the surplus, counting Social Security, had dropped to

\$128 billion, down from \$236 billion in the prior year.

Then the tide of red ink began to flow. In fiscal year 2002 the Government ran a deficit of \$158 billion. The following year, fiscal 2003, the Government ran a budget deficit of \$375 billion. That was an all-time record just as recently as 2003. Think what happened a few years since. That record lasted just 1 year. The next fiscal year, 2004, the Government set a new record by running a deficit of \$413 billion. The following year, fiscal year 2005, the Government ran a deficit of \$319 billion. That was not a record, but it was still larger than the deficits run in any year before this administration took office.

In the current year, the deficit will go up again. The administration predicts the deficit will rise to \$423 billion. This will represent yet another all-time record.

The fiscal policy of this administration has been the most irresponsible in the Nation's history. This fiscal policy has generated huge budget deficits, and in turn these deficits have contributed to massive increases in Federal debt. We clearly need to change course.

Let us, therefore, return to the advice that Thomas Jefferson gave us. I repeat:

It is incumbent on every generation to pay its own debt as it goes.

Let us return to a fiscal policy that could be defined as responsible.

AMENDMENT NO. 3131

Mr. President, I am now going to speak a little bit on an amendment I am offering on which we will vote, I suppose, tomorrow. I send that amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 3131.

Mr. BAUCUS. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require a study of debt held by foreigners)

At the end of the joint resolution, insert the following:

“Sec. __ STUDY.—(a) The Secretary of the Treasury, in consultation with the Board of Governors of the Federal Reserve System and other appropriate agencies of the United States Government, shall conduct a study to examine the economic effects of the holding of United States' publicly-held debt by foreign governments, foreign central banks, other foreign institutions, and foreign individuals.

(b) The Secretary shall transmit that study to the Congress within 180 days of the date of enactment of this legislation.

(c) The study shall provide an analysis of: “(1) for each year from 1980 to the present, the amount and term of foreign-owned debt held by the public, broken down by foreign governments, foreign central banks, other foreign institutions, and foreign individuals,

and expressed in nominal terms and as a percentage of the total amount of publicly-held debt in each year;

“(2) the economic effects that the increased foreign ownership of United States' publicly-held debt has on

“(A) long-term interest rates in the United States,

“(B) global average interest rates,

“(C) the value of the United States dollar,

“(D) United States capital market liquidity,

“(E) the cost of private capital in the United States,

“(F) the generation of employment in the United States through foreign affiliates, and

“(G) the growth in real gross domestic product of the United States;

“(3) (A) for each year from 1980 to the present, the effect of foreign debt on the United States income account,

“(B) the predicted effect over the next 20 years, and

“(C) the effect of the deteriorating income account on the overall United States current account deficit;“(4) the ability of the Department of the Treasury to track purchases of publicly held debt in secondary and tertiary markets, or, if this ability does not exist, the implications of that inability for fiscal policy, monetary policy, and the predictability of capital markets;

“(5) the effect that foreign ownership of United States' publicly-held debt has or could have on United States trade policy;

“(6) whether the level of United States debt owned by China may adversely affect the ability of the United States to negotiate with China regarding currency manipulation by China;

“(7) the effect of the increase of foreign holdings of United States debt held by the public on national security; and

“(8) the implicit tax burden that results from foreign ownership of United States debt held by the public, defined as the per capita amount that a United States Federal income taxpayer would pay in annual Federal income taxes to fully service such foreign debt during each of fiscal years 2006 through 2010.”

Mr. BAUCUS. Mr. President, this amendment is quite simple. It directs the Treasury Department to study and report on the increase of foreign holdings of U.S. debt and what the consequences of that debt are for America. We all know that debts can add up. We all know that paying just the minimum payment on a credit card balance leads to years of payments and a much larger total of payments in the end. Most American families know that.

As a result, we urge and sometimes require credit card companies and car companies to disclose to customers how long they will be paying those minimum payments. We require them to say how much the full balance will be when the consumer has paid off the loan. It is pretty basic stuff.

This amendment is a lot like that. This amendment asks the Treasury Department to spell out the implications of our debt to foreigners. This amendment asks the Treasury to investigate what the full cost will be in higher interest rates, in the value of a dollar, in lower economic growth, in lessened power to negotiate trade agreements, and in diminished national security. We should let taxpayers know—that is

our employers, the people we work for—how big the payment really is. This amendment will help get the answers.

The Treasury is authorized to issue debt totaling a little more than \$8 trillion. Last year's budget resolution generated an increase of \$781 billion more, and that has led to the joint resolution before us today. This will be the fourth largest debt limit increase in our Nation's history.

So the question needs to be asked: Who is loaning us this money? Some of it is internal, like borrowing from Social Security. Much of it is borrowed from American citizens and businesses. Now there is also an especially worrisome trend, a trend worrisome not only to me and my constituents in the State of Montana but also taxpayers across the country. That is the amount of U.S. Treasury bonds held by foreigners.

Five years ago, foreigners held about \$1.1 trillion. Today that number has doubled to \$2.2 trillion. Japan holds about two-thirds of a trillion dollars; China holds a quarter of a trillion dollars. So the questions that inevitably follow are, first, how long can we continue to borrow more money? Second, what are the implications to our foreign policy as foreigners increase their holdings of U.S. debt? And, third, what share of America's taxes are being used just to pay interest on debt?

These are some of the issues we should debate today. These are some of the issues addressed in my amendment.

Every business has limits on the amount it can borrow. Banks say to businesses: Sorry, this is your loan limit. Financial institutions limit the amount that any individual or family may borrow. Every credit card has a maximum balance.

As a business or a family increases its debt, lending institutions begin to monitor the situation. Creditors even increase the interest rate charged on the debt.

At some point, America will face this economic reality. We cannot continue to accelerate our borrowing and ignore the consequences of increasing foreign held debt.

As one conservative economist put it last year in the *National Review*: “Growing nervousness in the bond market may be signaling an end to the free lunch Americans have enjoyed for the last 3 years, in which time foreigners have essentially financed our budget deficit.”

Indeed, we cannot count on that free lunch forever.

So I am offering a simple amendment. It directs the Treasury Department to coordinate with appropriate Government agencies to study and report on the increase of foreign holdings of U.S. debt. The amendment asks Treasury to study any associated national security implications. The amendment also asks the Treasury Department to assess how this increase in foreign investment of our federal debt affects our trade policy.

Do we want to put ourselves in the potentially precarious position of engaging in diplomacy with our Nation's creditors? What happens if those foreign central banks and foreign investors suddenly started selling their holdings of U.S. securities? Interest rates could rise dramatically. A recession could result.

I bet that American manufacturers would like to know the answer to some of these questions. Next month, the Treasury Department is expected to rule on whether China is deliberately manipulating its currency in an effort to gain an unfair trade advantage. American businesses are awaiting this decision. But they would also like to know how any action on that decision might be affected by the level of our foreign debt.

Five years ago, foreigners held about \$1.1 trillion in U.S. debt. Today that number has doubled to \$2.2 trillion.

Last year, Federal debt held by the public increased by \$297 billion. And the amount of public Federal debt held by foreign investors increased by \$286 billion.

I have said it before and I will say it again: It is a riveting statistic. Foreign investors financed 96 percent of our Federal debt last year. Almost all of it last year was financed by foreigners—not by Americans but by foreigners.

We need to understand this change. This study will provide important information on this topic.

The answers to these questions will help us to evaluate foreign purchases of American assets. The data thus far is quite startling. According to a report from the nonpartisan Congressional Research Service, in 1995, net foreign investment in America was about 1.2 percent of our economic output. In 2005, net foreign investment was roughly 6 percent of GDP. That's an increase of 400 percent in just 10 years.

And we have just learned that our current account deficit for 2005 was the largest ever: \$805 billion. As a percent of the economy, it was also a record, at 6.4 percent.

That type of increase reflects the attractiveness of our national economy to foreign investors. But I think that we need to better understand what this means for our economy and our national security.

Both sides of the Capitol, and many of our constituents, have spent a great deal of time over the last few weeks debating the effect of purchases or control of critical American infrastructure assets by foreign entities. It is time that we get all the facts out on the table. And this study will surely aid in this effort.

And this amendment asks Treasury to evaluate how the increase of foreign-held debt affects taxpayers. Last year, Americans paid about \$85 billion in interest payments on this foreign debt alone. This year, in 2006, that amount will likely increase to about \$100 billion. And it will increase again in 2007.

That is again the amount in interest payments on foreign debt alone, \$85 bil-

lion last year. This year, in 2006, that amount will likely increase to \$100 billion. And it will increase again next year in 2007.

Since we collect about \$2.5 billion a day from income taxes, this year taxpayers will be working and paying taxes for almost 2 months just to pay off those interest payments on foreign debt. Think of that. Let me say that again.

Since we collect about \$2.5 billion a day from income taxes, this year taxpayers will be working and paying taxes for almost 2 months just to pay off those interest payments on foreign debt. That is not paying off the principal. That is just paying the interest. Americans will pay 2 months of taxes to service the debt we owe to foreigners.

I urge my colleagues to join me in supporting this amendment. We simply ask for more information, more disclosure, and more transparency relating to our federal debt. As guardians of the Federal budget, we should not be afraid to confront the facts and deal with them accordingly.

Consumers should know the full cost of buying that car when they sign on the dotted line. Well, today, on behalf of the American taxpayer, the Senate is being asked to sign on the dotted line for the borrowing that the Government has done. The American people deserve full disclosure of the consequences.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, nearly 50 years ago I, like the rest of the world, was mesmerized by a small metal sphere, no bigger than a basketball, no heavier than I or most of us.

Hurting through space at the speed of sound—I don't think it was faster than that, it goes about 18,000 miles an hour—this steel ball was Sputnik, the world's first satellite to circle the earth—in 98 minutes flat. It was a technological feat of the Soviet Union. Nikita Krushchev, the Soviet leader, had been intent on proving the Soviet Union's scientific superiority. He proved it that day in October 1957.

News of Sputnik caught Americans off guard. We had been convinced of our own superiority, but here was undeniable evidence that others were leading the way. And of all people, it was the Soviet Union.

Now we could only follow. We had been lulled into a slumber by past successes and had awoken to a harsh reality.

Other shocking Soviet achievements followed. In 1959, Luna 2 became the first space probe to hit the moon. In

1961, Soviet cosmonaut Yuri Gagarin became the first person to orbit the Earth.

But it was Sputnik that ultimately galvanized our great Nation. We came together to rediscover ourselves as a nation of thinkers, inventors, and dreamers. The shock of Sputnik caused us to not lower our expectations, but to raise them. Sputnik caused us to not ask less of ourselves but to demand more.

Four years after Sputnik, President Kennedy summoned the spirit of America to banish the ghost of Sputnik. Content to follow no longer, he set the highest goal imaginable. He declared:

We choose to go to the moon. We choose to go to the moon in this decade and do the other things, not because they are easy, but because they are hard, because that goal will serve to organize and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one which we intend to win. . . .

Eight years later, American astronauts Neil Armstrong, Edwin "Buzz" Aldrin and Michael Collins landed on the Moon. Armstrong became the first man to walk on the Moon.

America never looked back. To this day, America is peerless in space technology.

Today, America faces a challenge no less daunting than the Soviet-American space race. We face no rival state. We face no organized military menace.

Instead, we face a world more integrated, more interdependent, and more intensely competitive than ever in our history. We face an economy with fewer second chances. Smaller margins for error.

In this new world, it is our challenge to succeed, and to leave our children and grandchildren an economy that is better than the one we inherited from our parents; an economy not laden with debt but bursting with opportunity; an economy whose workers are increasingly productive, and whose finances are prudent; an economy that plants the seeds of innovation and education today, knowing that generations far in the future will harvest their bounty.

Our challenge is to create an economy in which universal health care coverage is its greatest asset, not its heaviest burden.

The records it sets will not be for trade and budget deficits, or interest paid to foreign lenders, but for prosperity, productivity and progress.

Its workers and companies will look to foreign shores with hope and ambition, not fear and trepidation.

It is an economy where the strong are just and the wealthy are generous. It is an economy where the weak are secure and the struggling are given a hand.

This challenge is far greater than that which America faced in 1957. To prevail, we must demand more creativity. We must summon more ambition. We must harness more resources.

Yet we do not have a Sputnik moment that captivates us and calls us to

action. No single moment crystallizes the urgency of action and the imperative of success. Today, we are still in August 1957—still complacent, still sure of our superiority.

What will be our “Sputnik moment?”

Will our Sputnik moment come when our trade deficits break unimaginable records, and our foreign debt exceeds that of any modern industrial economy?

No, that moment has already passed.

Will our Sputnik moment come after we neglect our basic research programs for three decades, while our competitors pour funds into research and development and lure our labs to their shores?

No, that moment has already passed.

Will our Sputnik moment come when 45 million Americans have no health insurance, while those who are so lucky must pay more to receive less?

No, that moment too has come to pass.

Perhaps our Sputnik moment will come when China becomes the world's largest economy. That may be just 10 or 20 years away.

Perhaps our Sputnik moment will come when our foreign debt reaches such levels that each year, 2 percent of our Nation's income will go to paying interest on these loans. That may be fewer than 5 years away.

Let us not wait for our generation's Sputnik. Let us awaken from our complacency before we are shaken from it.

We must not act out of fear. But we must not fear to act.

Most of all, we must act as a nation for the good of the entire Nation. As President Kennedy said of his vision 40 years ago: “In a very real sense, it will not be one man going to the moon . . . it will be an entire nation. For all of us must work to put him there . . .”

We must all work to improve our Nation's competitiveness, and I am working to do my part at every opportunity.

This week, I will introduce a number of amendments to the budget resolution that strengthen our economy at its very foundation and steel its every pillar.

These amendments will strengthen our ability to educate our children, so that they may enter the workforce filled with confidence and innovative ideas.

These amendments will foster innovative energy research that will make our children's world cleaner, safer, and more secure.

These amendments will restore our commitment to basic research and development, a commitment that has served us well in the past and will serve us well in the future.

These amendments will embrace technology to expand our access to quality healthcare, while making it more affordable, efficient, and accurate.

These amendments will help grow our nation's pool of savings, which can foster investment. Investment that makes our economy more productive and innovative.

Taken together, I hope that these amendments will create an economy that moves our Nation forward, and makes sure that no one is left behind.

I hope my colleagues will join me in supporting them. I think they are very important. I think they are critical and, frankly, I think if we don't pass these and similar amendments, we are passing on to our children and grandchildren an immense disservice.

I thank the Chair for listening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COBURN. Mr. President, I cannot help but make a few comments on the speech we just heard, noting the fact that over \$500 billion in new spending was offered, of which over half was voted for by the ranking member on the Committee on Finance last year—new spending unpaid for—and has the audacity to talk about the President getting us into this fix.

I mentioned earlier, this Senate and the House, the Congress, got us into this fix. The bills start in the House, they come to the Senate, and the irresponsible spending that has gone on has been a compilation of many factors. But most of it rests upon the Members of the Senate who refuse to make the hard choices in terms of spending.

I also note during last year's appropriations cycle, I offered amendments that were called sunshine amendments to make sure we knew what was in the bills we were voting on. I also note that the ranking member voted against those both times they were offered.

It is disingenuous to claim lack of responsibility. It is all of our responsibility. The Nation does not want to hear Congress pointing fingers. They want a solution to the problem. That solution comes through by restraining the discretionary accounts, rather than offering another \$200 billion or \$300 billion this year of new spending that is unpaid for. It also comes through working the hard issues of changing the entitlement programs of Medicare, Medicaid, and reforming Social Security, like the President of this body has led on in the past.

The record should be clear that actions speak much louder than words. The actions of the ranking member of the Committee on Finance do not match up to the words that were just spoken. The responsibility lies on all. All are guilty of not doing what is in the best long-term interests of this country. That is what has to change.

We can play the political games. We can point fingers. But the fact is, I take responsibility for that, and every other Member of that Senate who has been here since 2001 should, September 11, 2001, when the economy failed, went through the tank. Since then we have been trying to build back this economy.

Quite frankly, the economy is in the greatest shape it has ever been in, in

terms of growth, productivity, jobs. What we do need to address and will address in the future is changing health care overall so people can have access to affordable health care.

Mr. COBURN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. COBURN. Mr. President, I ask unanimous consent there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

GUS R. DOUGLASS INSTITUTE

Mr. BYRD. Mr. President, on March 15, West Virginia State University will dedicate its new research institute in honor of the commissioner of the West Virginia Department of Agriculture, the legendary Mr. Gus R. Douglass. This is a wonderful and fitting tribute to a great West Virginian and outstanding public servant.

Commissioner Douglass has served now 10 terms in his position, the longest reigning agriculture commissioner in the history of West Virginia, and, indeed, in the entire Nation. During his tenure, he has always demonstrated a sincere commitment to the farmers and to the people of West Virginia. His long and admirable record includes his support of programs designed to maintain family farms and new farming technologies and efforts to preserve a way of life that has become all too uncommon in our country. His work on behalf of our State's farmers has helped to improve the lives of all West Virginians.

In his remarkable career, Commissioner Douglas has brought national recognition to West Virginia. He has served as the national president of Future Farmers of America, the first president of the national FFA Alumni Association, the president of the National Association of State Departments of Agriculture, and chairman of the Southern Regional Committee for Food and Agriculture, as well as numerous other positions.

Meanwhile, Gus and his lovely wife, Anna Lee, have maintained their own family farm at Grimm's Landing in Mason County, WV. Along with their four children, and their families, they have done their part to continue the tradition upon which this great Nation was founded.

The Gus R. Douglass Institute at West Virginia State University will be a lasting legacy to the outstanding and unwavering commitment of Commissioner Douglass to public service. I thank West Virginia State University for bestowing this honor upon him.

Mr. President, I ask unanimous consent that a letter which I wrote to